ST. JOHN'S FOUNDATION EST. 1174

England & Wales · Charity number 201476

Details

Other names	ST JOHN'S HOSPITAL, ST JOHNS HOSPITAL, THE HOSPITAL OF ST JOHN THE BAPTIST WITH THE CHAPEL OF ST MICHAEL ANNEXED, THE HOSPITAL OF ST JOHN THE BAPTIST WITH THE CHAPEL OF ST MICHAEL ANNEXED WITH ST CATHERINE'S HOSPITAL, ST. JOHN'S FOUNDATION EST. 1174
Status	Registered
Legal form	Other
Company number	08188066
Registered	1984-10-31
Register	View on the Charity Commission register

Contact

Address	St. Johns Foundation Est 1174 1 Queen Square Bath BA1 2HA
Phone	01225486400
Email	governance@stjohnsbath.org.uk
Website	www.stjohnsbath.org.uk

Activities

Objects: 1. THE PROVISION OF ALMSHOUSES FOR PERSONS RESIDENT IN THE CITY OF BATH OR THE SURROUNDING AREA WHO ARE AGED 65 YEARS AND OVER AND WHO ARE IN NEED BY REASON OF FINANCIAL HARDSHIP; AND 2. THE RELIEF OF PERSONS RESIDENT IN THE CITY OF BATH OR THE SURROUNDING AREA WHO ARE IN NEED BY REASON OF AGE, ILL-HEALTH, DISABILITY, FINANCIAL HARDSHIP OR OTHER DISADVANTAGE.

Activities: The provision of almshouse accommodation for people resident in Bath and the surrounding area who are over 65 years of age and who are in financial need as well as providing grants and financial support to individuals and organisations within the Bath area for those in need.

Downloaded from opencharities.uk/ew/201476

Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations, Provides Other Finance, Provides Buildings/facilities/open Space, Provides Services, Acts As An Umbrella Or Resource Body
- **What:** The Prevention Or Relief Of Poverty, Accommodation/housing, Economic/community Development/employment
- **Who:** Children/young People, Elderly/old People, Other Charities Or Voluntary Bodies, The General Public/mankind

Geography

- **Area of benefit:** BATH AND THE SURROUNDING AREA
- Bath And North East Somerset

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£5,627,000	£7,208,000	£114,989,000	41
2023-12-31	£5,711,000	£6,794,000	£114,749,000	42
2022-12-31	£5,344,980	£6,488,852	£112,404,792	41
2021-12-31	£5,338,000	£6,384,000	£126,511,000	48
2020-12-31	£5,196,000	£5,744,000	£120,962,000	55

Trustees

Name	Role	Appointed
St John's Hospital Trustee Limited		2012-08-22

Linked charities

- HARRIETT FANNY DECK NURNBERG (201476-1)
- THE RICHARD BOWSHER CHARITY (201476-2)
- MAGDALEN EDUCATIONAL FOUNDATION (201476-3)
- BATH DISPENSARY CHARITY (201476-4)
- THE SUTCLIFFE TRUST (201476-5)
- MAGDALEN CHAPEL FOUNDATION (201476-6)

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ST. JOHN'S FOUNDATION EST. 1174

England & Wales - Charity number 201476

Accounts

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ANNUAL REPORT

AND CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024.



REGISTERED CHARITY 201476
ST JOHN'S FOUNDATION EST.1174
4-5 CHAPEL COURT, BATH, BA1 1SQ

1174 2024 ST JOHN'S FOUNDATION CELEBRATING 850 YEARS

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“I WISH ALL LOCAL AREAS WERE LUCKY ENOUGH TO HAVE A ST JOHN’S. THERE IS SO MUCH AMBITION, WILLINGNESS TO HELP, FINANCIAL SUPPORT, AND RESOURCE THAT SITS BEHIND THE CHARITY”

BATH AND NORTH EAST SOMERSET COUNCIL

1174 2024

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CHAIR'S FOREWORD

I AM HONOURED TO INTRODUCE MYSELF AS THE NEW CHAIR OF ST JOHN'S FOUNDATION AND TO BE PART OF SUCH AN EXTRAORDINARY ORGANISATION.

Having taken up the role in January 2025, I would like to extend my thanks to my predecessor, Ben Fletcher, for his dedication and leadership. Under his guidance, St John's ensured that we continue to support those most in need across our community.

Last year was a truly remarkable one for St John's. Our 850th anniversary celebrations were a testament to the Charity's deep-rooted history and the unwavering commitment of our team, partners, and supporters.

While we take great pride in our past achievements, our focus is firmly on the future. We are now halfway through our 10-year strategic plan, and this is a pivotal time to reflect on our progress and adapt to meet the evolving needs of those we serve. Our mission remains as important today as it was 850 years ago – to provide security, support, and opportunity to those experiencing disadvantage in Bath and beyond.

Having lived in Bath for 25 years, I have seen first-hand the challenges our community faces. That is why I was so drawn to St John's and why I am committed to building on its extraordinary legacy. I look forward to working closely with our dedicated team, Board, and partners to drive meaningful change and ensure we continue to make a lasting difference in people's lives.

Thank you to everyone who has supported St John's throughout this journey. Together, we will continue to evolve, grow, and make an even greater impact in the years ahead.



SANDY FORBES
CHAIR, ST JOHN'S FOUNDATION

1174 2024

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WELCOME FROM OUR CEO

I AM DELIGHTED TO INTRODUCE OUR 2024 ANNUAL REPORT AND TO REFLECT ON WHAT HAS BEEN AN EXTRAORDINARY YEAR FOR OUR CHARITY.

While I was formally appointed CEO in January 2025, I had the privilege of serving as Interim CEO from July 2024, following the retirement of David Hobdey. I would like to extend my sincere thanks to David for his six years of dedicated leadership and his unwavering commitment to furthering St John's mission. His work has left a lasting impact, and we are deeply grateful for his service.

Last year marked a truly historic moment for St John's as we celebrated our 850th anniversary. One of the highlights of this remarkable milestone was the visit from Her Majesty The Queen in February, when we held a special celebration at Bath Abbey. It was a moment of immense pride, bringing the Charity back to the heart of Bath and reinforcing our deep-rooted connection with the city. Our celebrations continued in June at Founder's Day, where we honoured our almshouse residents – the very people at the heart of our mission.

As part of our anniversary campaign, we championed a unique and exciting project, funded by local organisations – a book called The Day the Alien Came, written by 192 children. This creative endeavour was a fantastic success and a testament to the incredible young people we support.



CATHARINE BROWN
CEO, ST JOHN'S FOUNDATION

Beyond the celebrations, we remained steadfast in our founding mission: providing almshouse accommodation to older adults. In 2024, 102 people lived with us, and we were immensely proud that 100% of our residents in a recent survey said they felt treated with kindness, compassion, and dignity.

Our commitment to supporting the wider community continued through our crisis programme, which provided financial assistance to 654 people in need. We also deepened our work with under-served children, offering vital educational and behavioural support to ensure that every child has the opportunity to thrive.

2024 was a year of incredible achievements, and we are so proud of the impact we made. This annual report summarises our progress and the difference we have been able to make thanks to the dedication of our team, our partners, and our supporters. As we look ahead, we remain committed to honouring our 850-year legacy while embracing the future with optimism, innovation, and a renewed drive to support those who need us most.

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OUR 2024 HIGHLIGHTS

SUPPORTING OLDER ADULTS 55+

102
residents lived in our almshouses.

100%
of residents said staff treated them with kindness, compassion and dignity.

6,608
attendances to our activity classes.

SUPPORTING CHILDREN AGED 0-12

56,309
hot school meals provided for children.

410

SUPPORTING PEOPLE IN CRISIS

654
beneficiaries supported through our crisis programme.

1174 2024

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INTRODUCTION

**FOR OVER 850 YEARS, ST JOHN'S FOUNDATION HAS BEEN CHANGING PEOPLE'S LIVES, FOR GOOD.
EVERY ASPECT OF OUR WORK IS BUILT UPON OUR VALUES OF TRUST, KINDNESS, AND COURAGE.**

At the heart of St John's mission is our charitable objective: to provide almshouse accommodation and relief to those who are in need by reason of age, ill-health, disability, financial hardship, or other disadvantage within Bath and the surrounding area.

With over 850 years of history, St John's stands as the oldest charity in the Bath community. While the world around us has evolved, the challenges we aim to address have remained ever-present. We are committed to confronting these issues with unwavering determination, ensuring that those who need help most within our community receive the support, care, and opportunities they deserve.

Our focus is on creating an age-friendly community, one where older adults can live independently and with dignity for as long as possible, supported by both our housing and outreach services. In parallel, we continue to support individuals facing crisis, while striving to create environments where children can grow up happy, healthy, and well-educated.

This is the annual report and consolidated financial statements for St John's Foundation Est. 1174 ('St John's' or 'the Charity') and its subsidiary, St John's Hospital Trading Company Ltd, for the year ending 31 December 2024. These documents have been prepared in accordance with the Charities Act 2011 and SORP (FRS 102).

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WELCOMING OUR ROYAL PATRON



IN FEBRUARY, WE HAD THE HONOUR OF WELCOMING OUR PATRON, HER MAJESTY THE QUEEN, TO CELEBRATE ST JOHN'S FOUNDATION'S 850TH ANNIVERSARY.

It was an unforgettable day, filled with joy as Her Majesty began her visit to our chapel, enjoying tea and cake with our almshouse residents. Her warmth and interest in their stories made the occasion incredibly special.

She then walked through Bath's city centre, to the delight of the gathered public. At Bath Abbey, 500 primary school pupils from our partner schools waved St John's flags, creating an electric atmosphere. The Queen stopped to greet many of the children, making the day truly magical for them.

Inside the Abbey, over 500 guests attended a celebration service led by Reverend Jacky Wise. It was a fitting tribute to our history and impact. To mark the occasion, Her Majesty unveiled a commemorative plaque, now placed in our courtyard – the very site where our journey began 850 years ago.

This visit was a highlight of an extraordinary year for St John's and a reminder of the deep connections we share with the community. It was a day we will cherish forever, marking a historic milestone in the most special way.

WE ARE INCREDIBLY GRATEFUL TO HER MAJESTY THE QUEEN FOR BEING OUR PATRON AND FOR HER CONTINUOUS SUPPORT OF OUR MISSION.

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OUR 850 YEARS

IT ALL BEGAN IN 1174...

1174
French cleric Bishop Reginald Fitzjocelyn created St John's Hospital to alleviate poverty and chronic living conditions in Bath

1444
St Catherine's Hospital was built as an almshouse. Residents were known as inmates, reflecting the strict way of life.

1530
Henry VIII abolished Catholicism and founded the Church of England. St John's avoided confiscation of land and wealth by appointing a non-clerical Master.

1727
John Wood, the celebrated Bath architect, completed his first commission which was for St John's. John Wood House was built when he was just 23.

1851
The 1851 census shows that 228 people lived in the Chapel Court almshouses . Residents ranged from paupers to a solicitor's clerk widow and a birdcage maker.

1970
The Crisis Programme was launched – a fund to support people in crisis living in Bath. Since then, we have supported tens of thousands of local people facing financial difficulties and the programme continues today.

2003
Our new almshouse building Combe Park opened, offering another 54 homes to older adults in our community.

2015
Our community outreach and activities service launched to help older adults in Bath avoid isolation and loneliness.

2020
The Best Start in Life initiative was launched. The initiative is specifically focused on closing the primary age educational attainment gap; providing all children the opportunity to grow into healthy, happy, and educated members of society.

2024
St John's Foundation marks its 850th anniversary with a special event at Bath Abbey and a year of celebration.

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OUR COMMUNITY

BATH AND NORTH EAST SOMERSET HAS ITS SHARE OF CHALLENGES THAT WE ARE WORKING TO ADDRESS..

LOWEST PERFORMING

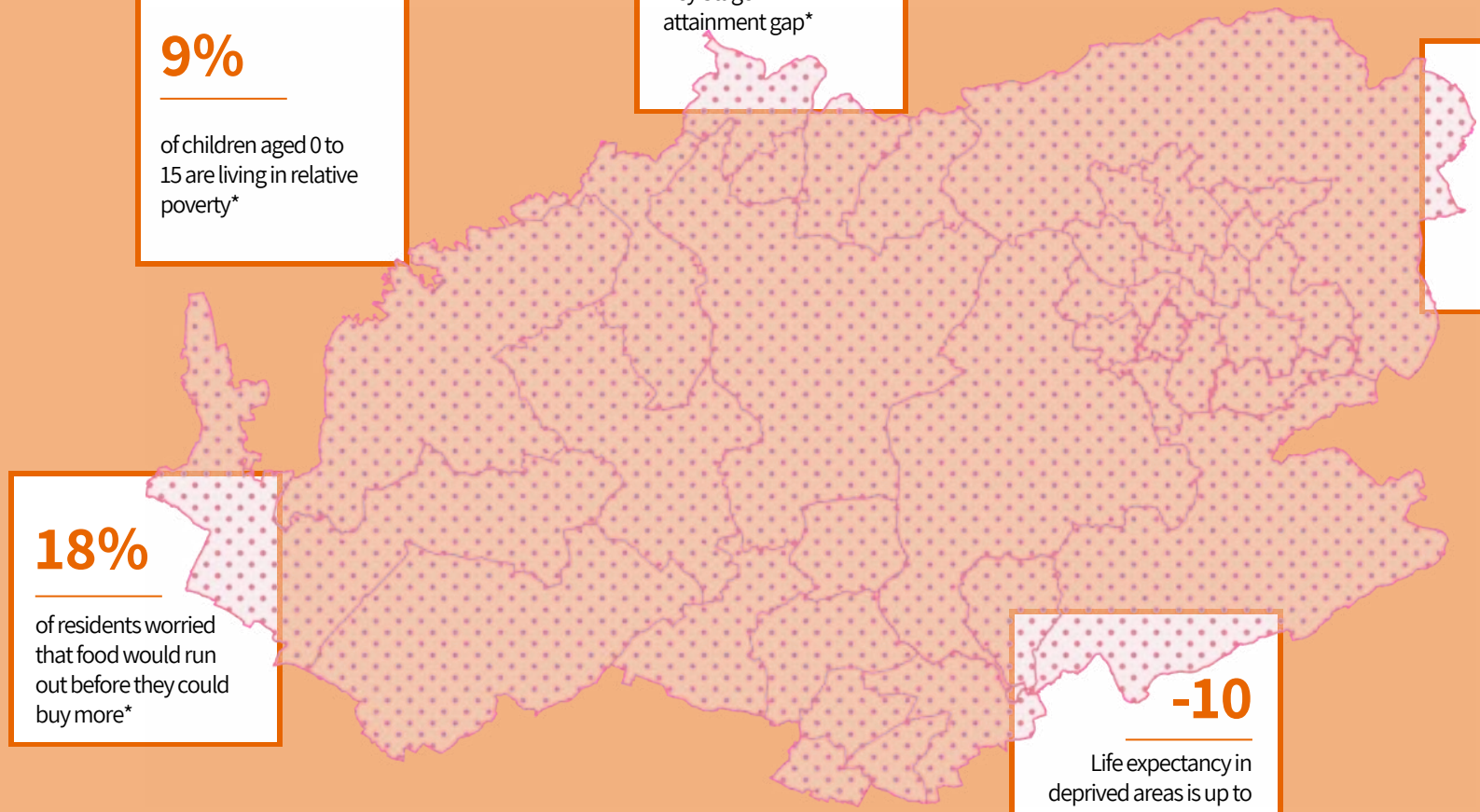
local authority for the Key Stage 2 attainment gap*

9%

of children aged 0 to 15 are living in relative poverty*

9%

of primary pupils said they hadn't eaten anything before school*



18%

of residents worried that food would run out before they could buy more*

-10

Life expectancy in deprived areas is up to 10 years lower then wealthier areas*

https://thehub.bathnes.gov.uk/Page/11031#:~:text=Every%20two%20years%2C%20Bath%20%26%20North,state%20schools%20and%20Bath%20College. - B&NES Primary Results 2024 (PDF , 1.02 MB)
https://www.bathnes.gov.uk/sites/default/files/Strategic%20Evidence%20Base%20-%20Main%20Document%2024%20July%202024_1.pdf

1174 2024

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OUR AMBITION IS TO ENSURE AGE IS NOT A BARRIER TO LIVING WELL BY CREATING A COMMUNITY THAT SUPPORTS OLDER PEOPLE TO ENJOY LIFE INDEPENDENTLY.

Our aim is to work collaboratively to create an age-friendly community across Bath and North East Somerset through a variety of initiatives.

ALMSHOUSE ACCOMODATION

St John's provides high-quality almshouse apartments in Bath, offering affordable, independent living for over-65s in a supportive community that enhances wellbeing and reduces isolation.

ACTIVITIES PROGRAMME

St John's offers a vibrant programme of activities for over-55s in Bath and North East Somerset, promoting wellbeing, independence, and community through daily events for all skill levels.

ADVICE SERVICE

St John's offers free advice and support for over-55s in Bath and North East Somerset, helping them navigate everyday challenges and maintain independent living.

PASTORAL CARE

We provide emotional, social, and spiritual care to our almshouse residents and over-55s in our community. Our inclusive Chaplain offers informal advice, a listening ear, guided prayer, and traditional worship.



SUPPORTING OLDER ADULTS

GOOD LIVING.

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GOOD LIVING ALSMHOUSES 2024 HIGHLIGHTS

102

RESIDENTS LIVED WITH US, WITH

98%

OF THEM SAYING THEY FELT SAFE AND SECURE HERE.

79

OF OUR RESIDENTS RECEIVED PASTORAL SUPPORT LAST YEAR, AND

100%

OF THEM SAID OUR STAFF TREATED THEM WITH KINDNESS, COMPASSION AND DIGNITY.

THERE WERE A TOTAL OF 245 ATTENDANCES FROM RESIDENTS TO OUR 18 COSY COOK MEALS IN 2024.

*source of data St John's Foundation 2024 resident survey



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A ST JOHN'S RESIDENT'S STORY

BEFORE I CAME TO ST JOHN'S I LIVED IN A HORRIBLE, COLD FLAT.

Before I came to St John's I lived in a horrible, cold flat. There were drug users and dealers outside my front door daily. Police raids had become a regular occurrence. My family and friends were so worried for my safety. I suffered from depression, and I was always worried about my security. I always double bolted my doors. I was there for 11 years until someone recommended St John's to me. The rest is history.

I am so happy here. I feel the warmth, security, companionship, the respect and compassion of the staff. I have made friends, and we all look out for each other. I can get involved with the activities that interest me and I am always treated with respect and feel valued. I am so happy here, having been depressed before. I know I am warm and safe here.

1174 2024

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GOOD LIVING ACTIVITIES 2024 HIGHLIGHTS

367

OLDER ADULTS ATTENDED OUR ACTIVITY CLASSES. THERE WERE

6,608

ATTENDANCES TO OUR ACTIVITY CLASSES THROUGHOUT THE YEAR.

64

ACTIVITIES WERE AVAILABLE FOR OLDER ADULTS TO ATTEND.

“I enjoy taking ballet classes, as they cater to people of all abilities, making it a welcoming environment for everyone. I love the social side of the class, which encourages connections with others whilst I work on strengthening my balance. I would definitely recommend these ballet classes to anyone looking to improve their balance and discipline, especially if they have a passion for music. It's a wonderful way to combine fitness and creativity!”

A ST JOHN'S ACTIVITY USER

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GOOD LIVING - 2024 PARTNERSHIP WORKING

£15,000
GIVEN TO SUPPORT BATH SHED
to help them establish their new location at Bath City Farm. Bath Shed is a community group for people over 50, offering a space to connect and create. it's a place to combat loneliness and isolation while having fun.

£15,000
GIVEN TO REMIND UK FOR THEIR HEALTHY BRAIN CLINIC
This new clinic helps people identify risk factors early to retain cognitive wellbeing for as long as possible.

102
RESIDENTS ATTENDED PETS AS THERAPY SESSIONS.
The sessions aim to improve health and wellbeing while reducing isolation and loneliness by offering visits from volunteers accompanied by their dogs.

10
CHARITIES USED OUR SPACES.
We supported a range of local charities last year by offering free use of The Bubble and Combe Park. These include Bath Mind, Age UK BaNES, Bath Welcomes Refugees, BANES Climate Hub, U3A, Sight Support Southwest, Bath Macular Group, Bath Diabetes Group, Mencap, and ReMind UK.

56
OLDER ADULTS ATTENDED OUR TECH SUPPORT GROUPS.
The sessions offer support for older adults with a range of digital devices.

1174 2024

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AGEING WELL BANES

WE CONTINUED OUR COLLABORATION WITH AGE UK AND 3SG TO MAKE BATH AND NORTH EAST SOMERSET AN AGE-FRIENDLY COMMUNITY.

The Ageing Well BaNES programme was launched in December 2023 with the aim of ensuring people aged 55+ can thrive in an inclusive and supportive environment.

The initiative which includes charities, businesses, and public sector organisations, is focusing on key areas such as accessible housing, transport, social connections, and health services to improve the quality of life for older adults.

In 2024, we achieved the following milestones:

- Launched the Older People's Forum, giving older adults a collective voice and a chance to engage with community projects.
- Hosted an event to launch our Ageing Well survey, gathering insights from individuals aged 55+ to better understand the current landscape, identify areas for improvement, and inform our action plan.
- Received 1,400 responses to the Ageing Well survey, which are now guiding our efforts to create a more age-friendly BaNES.
- Our Head of Good Living Service, Lynn Toman, teamed up with Age UK's Bath and North East Somerset CEO, Simon Allen, to deliver a seminar at The Business Exchange South West Charity Expo about building an age-friendly community through the Ageing Well Network.

£40,000

OF FUNDING GIVEN TO HELP MAKE BANES AN AGE FRIENDLY COMMUNITY.



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SUPPORTING CHILDREN AGED 0-12

BEST START IN LIFE.

OUR VISION IS FOR EVERY CHILD TO GROW UP TO BE HAPPY, HEALTHY AND EDUCATED MEMBERS OF OUR COMMUNITY.

Our aim is to narrowing the educational attainment gap for Key Stage 2 children living in our community through a range of initiatives.

PRE-SCHOOL CHILDREN

The Early Nurture Service provides early-intervention support for young children's social, emotional, and mental health (SEMH) needs in high-deprivation areas, enhancing assessments, support, and capacity within nurseries.

The Language for Life project trains early years practitioners to use the WellComm assessment toolkit, enabling early identification and support for children's language and communication needs to help them start school on par with their peers.

The Perinatal and Emotional Wellbeing Partnership supports new parents' mental health by working with local services to provide emotional wellbeing support, helping them navigate the challenges of parenthood.

PRIMARY SCHOOL CHILDREN

The Primary Empowerment Programme provides targeted academic and emotional support to children, equipping teachers with training, resources, and specialist guidance to improve learning and wellbeing outcomes.

FAMILIES

The Nutritious Food programme tackles food poverty by funding local initiatives that provide access to nutritious food, supporting children's health, development, and academic success.

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EARLY NURTURE SERVICE 2024 HIGHLIGHTS

OUR AMBITION IS TO SUPPORT CHILDREN AGED 2 – 5 TO REGULATE THEIR SOCIAL, EMOTIONAL AND MENTAL HEALTH.

250

CHILDREN SUPPORTED ACROSS

6

EARLY YEAR SETTINGS, WITH

35

PRACTITIONERS TRAINED.



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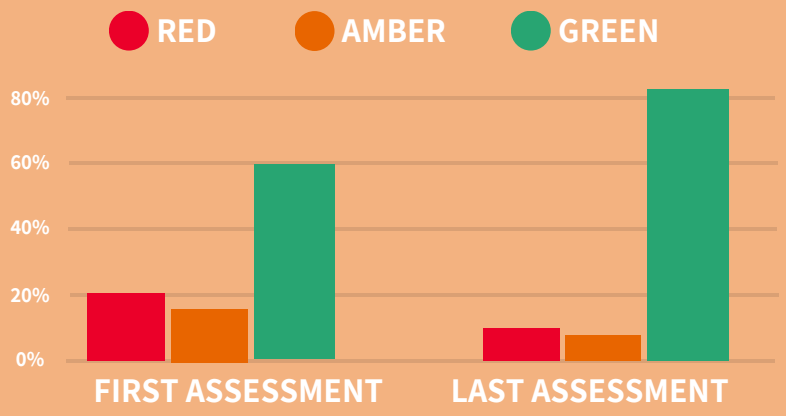
LANGUAGE FOR LIFE 2024 HIGHLIGHTS

OUR AMBITION IS TO INCREASE THE NUMBER OF CHILDREN AGED 2-5 REACHING THEIR AGE-RELATED EXPECTATIONS.

706

CHILDREN ASSESSED AND SUPPORTED.

THE PROGRESS THE CHILDREN MADE THROUGH THE PROGRAMME:



This graph represents the children who were assessed and supported through the programme in 2023-2024. Those in red represent children who have severe speech and language needs, amber represents children with moderate speech and language needs and green represents children whose speech and language is on track. The graph shows the progression made from their first to their last assessment. The total number assessed in the last assessment was 706 (there are some differences in the children assessed in first and last screenings).



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THE PERINATAL AND EMOTIONAL WELLBEING PARTNERSHIP 2024 HIGHLIGHTS

OUR AMBITION IS TO IMPROVE MENTAL HEALTH OUTCOMES FOR VULNERABLE NEW PARENTS.

199

NEW PARENTS SUPPORTED

90%

OF NEW PARENTS SHOWED CONSIDERABLE IMPROVEMENT IN THEIR MENTAL HEALTH AFTER SUPPORT.

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PRIMARY EMPOWERMENT PROGRAMME 2024 HIGHLIGHTS

OUR AMBITION IS TO SUPPORT CHILDREN WITH THEIR READING, WRITING, MATHEMATICS AND ORACY SKILLS, AS WELL AS THEIR EMOTIONAL AND BEHAVIOURAL NEEDS.

£790,431
OF FUNDING RELEASED TO

7
SCHOOLS, WHICH SUPPORTED

1,358
CHILDREN.

56,309
HOT SCHOOL MEALS GIVEN TO

410
CHILDREN IN 2024.

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A PARENT'S STORY

MY SON IS A BUNDLE OF CREATIVITY AND JOY, ALWAYS EXCITED ABOUT SCHOOL.

He doesn't have any specific dislikes in school and loves playtime with his friends and learning new things. He loves art and is incredibly crafty and creative. However, when he started school, we noticed some real difficulties he was having, particularly in language-based lessons and specifically around his reading.

Despite his positive attitude towards school, he really struggled with his speech and language. His speech was delayed, and reading was a real challenge for him. As a parent, it was horrible to see him frustrated and struggling when attempting to read.

The speech and language therapist that St John's gave him has been incredible. It's boosted his confidence so much and she's been so patient with him. His phonics and pronunciation have improved significantly. His progress from last year is nothing short of remarkable. The time spent with the speech therapist has made an unbelievable difference. I can't express enough how happy I am with the change I see in him and the difference in his development.

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NUTRITIOUS FOOD 2024 HIGHLIGHTS

OUR AMBITION IS TO PROVIDE ACCESS TO NUTRITIOUS FOOD FOR UNDER-SERVED FAMILIES.

30

GROUPS BENEFITED

120

TONNES OF FOOD DISTRIBUTED, EQUIVALENT TO

283,976

MEALS

WHICH BENEFITED, OVER

3,000

PEOPLE.

£34,947

IN FUNDING FOR A ROLE WITHIN PUBLIC HEALTH TO REDUCE FOOD INSECURITY IN OUR COMMUNITY.



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Bath is a beautiful city, but beneath its wealthy veneer are sections of the community that are facing a daily struggle to get by and put food on the table. In the Strategic Evidence Base report* for Bath and North East Somerset Council it was estimated another 4,000 people will fall into absolute poverty this year, including 1,500 children.

Much like in other locations, poverty across BaNES is a complex and often entrenched issue, stemming from multiple causes, therefore the provision of a variety of support services is vital in supporting our communities.

THIS IS WHY ST JOHN'S PROVIDES SUPPORT THROUGH OUR CRISIS PROGRAMME. WE OFFER FINANCIAL AID TO INDIVIDUALS AND FAMILIES WHO ARE STRUGGLING TO MAKE ENDS MEET.

The programme aims to fulfil the most essential needs, such as providing white goods, furniture, counselling, and debt support. The programme also offers basic skills training to people who are struggling to access training or education opportunities, to help them gain secure employment and escape poverty.

To be eligible for support, the individual or family must be living within Bath and North East Somerset with a monthly disposable income of less than £250 for a household with no dependent children, £275 for a household with up to two dependent children, or £300 for a household with three or more dependent children.

*https://www.bathnes.gov.uk/sites/default/files/Strategic%20Evidence%20Base%20-%20Main%20Document%2024%20July%202024_1.pdf



SUPPORTING THOSE IN CRISIS

CRISIS PROGRAMME & CRISIS PROJECTS.

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CRISIS PROGRAMME - 2024 HIGHLIGHTS

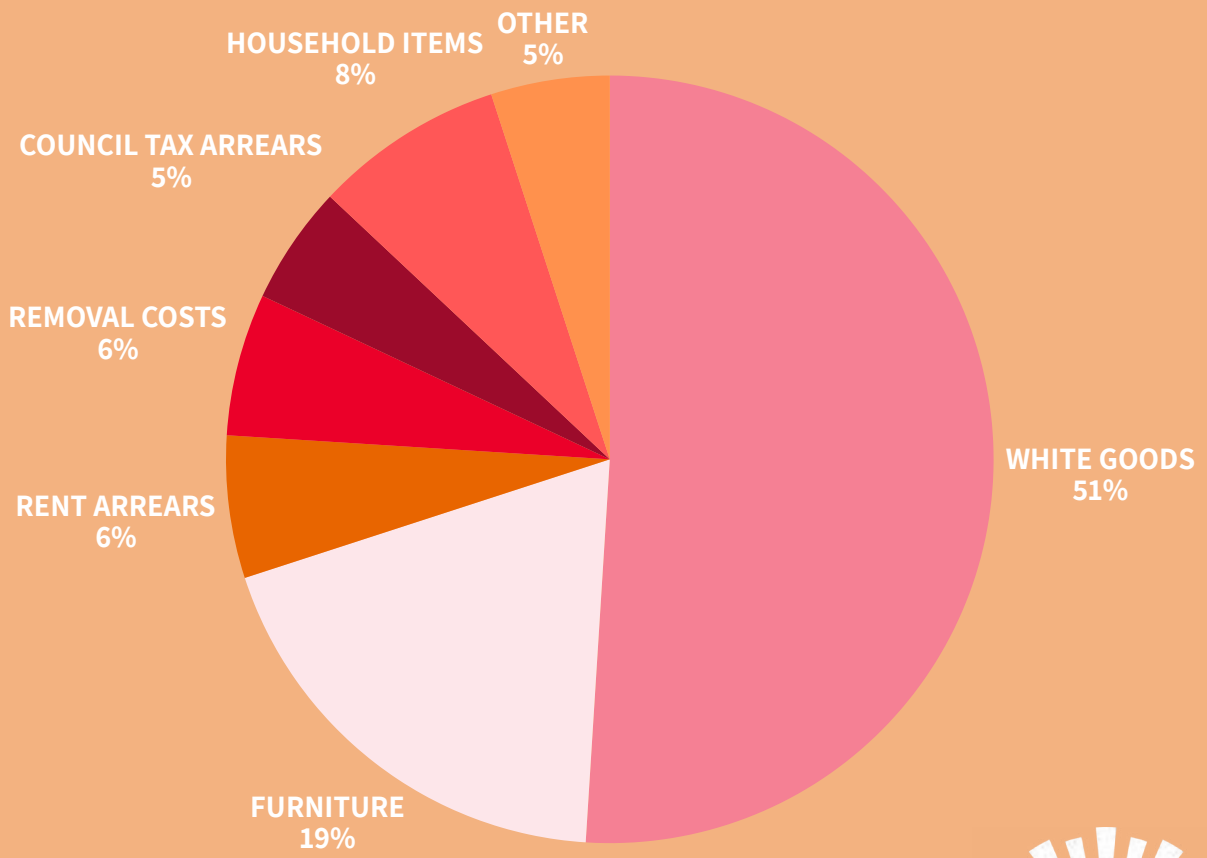
£235,241
AWARDED IN GRANTS

TO
323
APPLICATIONS

WHICH SUPPORTED
654
INDIVIDUALS AND FAMILIES

116
OF WHICH WERE FAMILIES WITH CHILDREN UNDER 12

HOW OUR GRANTS WERE SPENT:



1174 2024

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A CRISIS PROGRAMME BENEFICIARY'S STORY

A PARENT WITH TWO CHILDREN HAD TO MOVE QUICKLY TO ESCAPE DOMESTIC ABUSE, FLEEING WITH ONLY MINIMAL FURNITURE AND WITHOUT THE CHILDREN'S BELONGINGS.

An application was made to St John's by the children's primary school for new furniture, which included a desk for the eldest child to do their homework and a new bike, as their previous one had to be left behind.

The school reported that this support was invaluable for the family and helped them all to settle and create a new safe homely environment of fun and happiness, providing the children with items that all children should have.

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CRISIS PROJECT FUND - 2024 HIGHLIGHTS

IN ADDITION TO THE GRANTS GIVEN TO INDIVIDUALS THROUGH OUR CRISIS PROGRAMME, WE ALSO SUPPORT THREE KEY INITIATIVES, EACH DESIGNED TO PROVIDE LONG-TERM SUPPORT AND STABILITY FOR THOSE IN NEED.

Cosy Start (£30,000) marked its third and final year as a pilot scheme in partnership with social housing provider Curo. The initiative aimed to help new tenants by providing basic furnishings and carpets, reducing financial strain and increasing tenancy success. Since its launch in February 2023, 21 households have benefitted, with none experiencing tenancy failure - compared to a 9% failure rate usually seen in new tenancies.

Citizens Advice Debt Caseworkers (£49,350) continued to receive support for dedicated roles focused on income maximisation and debt reduction. Now in its fifth year, this funding has helped Citizens Advice generate over £1.5 million in financial outcomes for clients.

3SG Director Role Core Funding (£20,000) ensured continued leadership for 3SG, an organisation vital to BaNES' charity sector. Throughout 2024, their director played a key role in navigating funding and commissioning challenges as the local authority reduced spending and the Integrated Care Board adjusted its processes. With funding secured until July 2026, 3SG plans to recruit a business development manager to explore future sustainability.

£99,350
AWARDED IN PROJECT FUNDING TO
3
LOCAL ORGANISATIONS

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OUR 850TH YEAR

2024 MARKED A SIGNIFICANT MILESTONE FOR ST JOHN'S FOUNDATION AS WE CELEBRATED OUR 850TH ANNIVERSARY.

On the 1st February, we held a **Service of Celebration** at Bath Abbey and were delighted to welcome Her Majesty The Queen to the city. Attendees included our beneficiaries, supporters, community members, all of the St John's team, and our partners. Her Majesty's attendance at the event made the occasion even more special, with children from local schools and members of the public lining the streets as Her Majesty approached the Abbey after having enjoyed tea and cake with our almshouse residents.

In the summer, the team transformed **SouthGate** into a spectacular English garden, with a St John's branded installation at the heart of the shopping centre.

In June, we proudly celebrated our **850th Founder's Day**, bringing together residents, Board, and staff for a wonderful afternoon of entertainment, tea and fun. The day was filled with performances from our residents and delicious catering provided by The Francis Hotel.

We created a one-of-a-kind children's book **The Day the Alien Came**. Alongside children's author Stewart Foster and illustrator Andrew Prescott, we worked with 192 pupils from the seven primary schools that we support. The book was sold to raise money to be used to buy books for libraries of the schools who contributed.



SERVICE OF CELEBRATION



SOUTHGATE INSTALLATION



FOUNDER'S DAY



THE DAY THE ALIEN CAME

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PROPERTY AND INVESTMENTS

WHEN ST JOHN'S LAUNCHED ITS CURRENT STRATEGY IN FEBRUARY 2020, A STRATEGIC ASSET REVIEW WAS UNDERTAKEN TO ASSESS THE INVESTMENT PORTFOLIO ALLOCATION. THIS CONCLUDED THAT THE CHARITY SHOULD REDUCE ITS RELIANCE ON PROPERTY INVESTMENTS.

This will enable St John's to reinvest the funds in other classes of investment assets. It will help achieve a more balanced mix of investments and therefore generate the income St John's requires to continue implementing its ambitious programme of charitable activities, as well as maintaining the financial health of the Charity for future generations.

IN 2024

5

PROPERTIES WERE SOLD WORTH

£5.9M

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PLANS FOR THE FUTURE

Moving forward St John's will manage its investments to meet the aims of:

- Establishing, in collaboration with others, an age-friendly community across Bath and North East Somerset. This includes maintaining and growing our almshouse accommodation.
- Building communities where every child under 12 is supported to grow into a healthy, happy, and educated member of the community, courtesy of the Best Start in Life.
- Providing funding for individuals in crisis, courtesy of the Crisis Programme.
- The length of St John's tenure is testament to the Charity's ability to move with the times and continue to deliver a wide range of services that address the changing needs of our community. St John's will continue to review the impact of our charitable arms and will continue to work with its partners to deliver our aims and shape future work.

In 2025, St John's will conduct a strategic review to enhance the effectiveness and impact of our charitable services within the community.



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ST JOHN'S HOSPITAL TRADING COMPANY

THE TRADING COMPANY IS OWNED BY THE CHARITY AND GENERATES VITAL REVENUE TO SUPPORT ST JOHN'S BY GIFTING AS MUCH OF ITS TAXABLE PROFITS AS POSSIBLE, WITH THE GOAL OF DONATING 100% OF ITS PROFITS TO THE CHARITY.

St Catherine's, a beautifully refurbished Grade II listed building in the heart of Bath, now features ten boutique one-bedroom serviced apartments. Overlooking a peaceful courtyard garden, these offer a serene city retreat. In January 2024, we partnered with Curated Property, a new booking agent who has helped boost bookings at St Catherine's.

The House of St John's, launched by the Trading Company in 2022, provides a range of private offices, dedicated desks, co-working spaces, and a stylish event venue. In 2024, the House expanded its offerings to include wedding ceremonies on Saturdays, ensuring that the building is utilised to its full potential outside of business hours.

Due to the need to repay set up costs and the time required to grow the business, the Trading Company has experienced trading losses in its initial years and gift aiding of profits is not anticipated in 2025. It has paid rent for the use of its properties of £204k this year. The focus is on developing a sustainable business which will lead to a long-term profit stream. The growth of the business has been slower than originally anticipated but a change in executive management in 2023 has helped to ensure robust business plans are in place to repay debt and provide future profits. This has involved adapting to the market challenges and maximising the use of the building for both business and consumer use. The introduction of weddings and strengthening of meeting and event usage has been part of this.

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HOUSE OF ST JOHN'S 2024 HIGHLIGHTS

39
CO-WORKERS AT THE END OF 2024.

413
MEETING ROOMS BOOKED BY

146
ORGANISATIONS.

14
ORGANISATIONS JOINED OUR HOUSE ASSOCIATE PROGRAMME.

33
EVENTS WERE HELD.

WE LAUNCHED OUR WEDDING CEREMONY OFFERING IN OCTOBER!



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STRUCTURE, GOVERNANCE AND MANAGEMENT

LEGAL STRUCTURE

ST JOHN'S HOSPITAL TRUSTEE LIMITED - THE COMPANY

St John's Foundation Est. 1174 (the Charity) has a sole corporate trustee, St John's Hospital Trustee Limited (registration 08188066) (the "Trustee Company"). The Trustee Company has a Board of unpaid directors (the "Board") .

ST JOHN'S FOUNDATION EST.1174 - THE CHARITY

The Charity is an unincorporated Charity registered in England and Wales (reference 201476). It is governed by a Charity Commission Scheme dated 25 September 2012 as amended on 8 February 2017 and by resolution dated 28 September 2017.

ST JOHN'S HOSPITAL TRADING COMPANY LTD - THE TRADING COMPANY

St John's Hospital Trading Company Ltd (registration 08632453) is the trading arm of the Charity and is a wholly owned subsidiary. There is a second subsidiary company, wholly owned by the Charity - St John's Hospital Design and Build Ltd (registration 15213021). This is currently a dormant company.

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GOVERNANCE STRUCTURE

IN LINE WITH THE ARTICLES OF ASSOCIATION OF ST JOHN'S HOSPITAL TRUSTEE LIMITED ('THE ARTICLES'), THE BOARD OF DIRECTORS MUST COMPROMISE BETWEEN 10 AND 14 MEMBERS. THIS HAS BEEN TEMPORARILY INCREASED UNDER A RESOLUTION TO 16 MEMBERS DURING 2025. DIRECTORS ARE EACH APPOINTED FOR A TERM OF THREE YEARS AND MAY BE RE-APPOINTED TO SERVE FOR UP TO NINE YEARS

DIRECTORS OF ST JOHN'S HOSPITAL TRUSTEE LIMITED

Board Chair - Ben Fletcher (resigned 23 July 2024)*
Board Chair - Sandy Forbes (appointed 2 January 2025)
Board Vice Chair - John Lakin (acting Chair 30 May 2024 - 2 January 2025)
Investment Committee Chair - Richard Brown (resigned 14 May 2025)
Investment Committee Chair & Senior Independent Director - Ken Scott (appointed 14 May 2025)
Audit & Risk Chair - Madeleine Musselwhite
Karen MacGregor
Jeff Hayes
Carole Stott
Reverend Roger Driver
Lorraine Coward
Eric Zwickel
Juliet Crisp (appointed 1 April 2025)
Alun Brannigan (appointed 1 April 2025)
John Bearman (appointed 1 April 2025)
Bryan Sergeant (appointed 1 April 2025)
Helen Mee (appointed 26 June 2025)
Ashley Ayre (resigned 6 June 2024)
Catharine Brown (resigned 26 June 2024)

*Ben Fletcher took a leave of absence as Board Chair from 30 May 2025 while he ran for parliamentary election and then resigned on 23 July 2025.

DIRECTORS OF ST JOHN'S HOSPITAL TRADING COMPANY LTD.

Chair - Ken Scott (appointed 26 June 2024)
Chair - Catharine Brown (resigned 26 June 2024)
Karen MacGregor
Laura Alexander
Caroline Bee (resigned 17 April 2025)
Catharine Brown (resigned 15 July 2024)
Ashley Ayre (resigned 6 June 2024)
Bryan Sergeant
Non-Executive Director - Graham Leech (appointed on 12 August 2024)
Non-Executive Director - William Riordan (appointed 1 April 2025)

EXECUTIVE DIRECTORS AT ST JOHN'S FOUNDATION EST.1174

Chief Executive - David Hobdey (retired 19 July 2024)
Chief Executive - Catharine Brown (permanent CEO from 30 January 2025, interim CEO from 15 July 2024**)**
Director of Finance - Caroline Bee (resigned 17 April 2025)
Interim Director of Finance - Jo Killip (appointed 21 April)
Director of Commercial Operations - Laura Alexander
Executive Director of The Foundation Fund - Louise Harvey (left 21 June 2024)

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BOARD COMMITTEES

CHARITABLE DELIVERY & IMPACT COMMITTEE	INVESTMENT COMMITTEE	AUDIT & RISK	REMUNERATION & NOMINATIONS COMMITTEE	TRADING COMPANY
CHAIR JOHN LAKIN	CHAIR RICHARD BROWN	CHAIR MADELEINE MUSSELWHITE	CHAIR -BEN FLETCHER RESIGNED 23 JULY 2024	CHAIR KEN SCOTT
VICE CHAIR CAROLE STOTT	VICE CHAIR JEFF HAYES	VICE CHAIR KAREN MACGREGOR	CHAIR -JOHN LAKIN APPOINTED 23 JULY 2024	VICE CHAIR KAREN MACGREGOR
KAREN MACGREGOR	KEN SCOTT	ROGER DRIVER	KEN SCOTT	NED - GRAHAM LEECH APPOINTED 12 AUGUST
LORRAINE COWARD	ERIC ZWICKEL	LORRAINE COWARD	JEFF HAYES	CATHARINE BROWN RESIGNED 15 JULY 2024
HELEN MEE APPOINTED 26 JUNE 2025		BRYAN SERGEANT APPOINTED 26 JUNE 2025	CAROLE STOTT	ASHLEY AYRE RESIGNED 6 JUNE 2024
ASHLEY AYRE RESIGNED 6 JUNE 2024		ASHLEY AYRE RESIGNED 6 JUNE 2024		

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GOVERNANCE - DECISION MAKING

The Board held five formal meetings and two development days during 2024 to determine strategy, approve financial plans, and consider key policies. The Board has delegated authority for certain decisions to committees, which are made up of Directors with relevant experience and/or qualifications. Professional advisors attend these committees when necessary to add their insight.

THE CHARITY GOVERNANCE CODE

THE CODE (PUBLISHED IN 2017 AND REVIEWED IN 2020) SETS OUT SEVEN PRINCIPLES OF GOOD GOVERNANCE, INCLUDING:

ORGANISATIONAL PURPOSE	LEADERSHIP	INTEGRITY	DECISION MAKING, RISK AND CONTROL	BOARD EFFECTIVENESS	EQUALITY, DIVERSITY AND INCLUSION	OPENNESS AND ACCOUNTABILITY

The Board recognise that effective governance is essential in enabling the Charity to meet its aims.

During the year, the Board commissioned an independent review of the Charity's governance practices against the Code. As part of our commitment to continuous improvement, the Board has established a structured development programme to uphold the highest standards across the seven principles of good governance.

To support this, the Board has introduced in 21 May 2025 a new Governance and Nominations Committee which will lead the implementation of the review's recommendation and drive ongoing governance improvements.

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COMMITTEES

CHARITABLE DELIVERY & IMPACT COMMITTEE

The purpose of this committee is to assure the Board that there is an adequate system in place to measure strategic charitable delivery and impact of the organisation. While CDIC's primary function is assurance, its purpose also includes supporting continuous improvement in the way impact is measured and demonstrated.

INVESTMENT COMMITTEE

The purpose of this committee is to recommend the investment strategy for the Charity and to assure the Board that there is an adequate system of processes and controls in place to ensure all the Charity's investment portfolios, including the property portfolio are appropriately managed to deliver the agreed investment objectives.

AUDIT & RISK

The purpose of this committee is to assure the Board that there is an adequate system of risk management in place for the activities of the Charity and which ensures effective delivery of all its services, including compliance with all relevant regulations that relate to the Charity's activities. This includes overseeing the accounts and audit process.

ALMSHOUSE DEVELOPMENT

This committee was established to recommend decisions to the Board on how St John's fulfils its obligation to the Charity Commission to spend £1.9m on almshouse accommodation. The Committee assures the Board that there is an adequate system of processes and controls in place to ensure that the repurposing is carried out in a way that meets best practice and maximises charitable impact for future beneficiaries.

TRADING COMPANY BOARD

The purpose of this committee is to ensure that the Trading Company is well managed, in compliance with all relevant regulations and in the best interests of the Charity except where prohibited under UK law (for example where there is an unavoidable conflict of interest).

REMUNERATION AND NOMINATIONS COMMITTEE

The REMCO is a committee of and established under the authority of the Board. Its main purpose is to oversee the Trustee appointment process and to ensure that St John's has effective remuneration, nomination and Board recruitment policies and procedures in place, which are fair and transparent, adhere to all relevant legislation and support the strategy, objectives and values of St John's.

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RECRUITMENT AND TRAINING

During 2024, there was a significant recruitment campaign for directors, with new directors appointed in the first quarter of 2025. The Board determined the appointment procedures for new directors including how the vacancies were advertised through social media and an external recruitment agency. This helped to ensure the Charity could recruit directors from diverse professional backgrounds. The Board agreed the terms and conditions of appointment and the interview process, which involved a minimum of 2 existing directors. The recruitment panel then nominated candidates for approval by the board. In April 2025 a new Governance and Nominations Committee was created and will take over the recruitment process.

Once appointed new directors are provided with training through an induction pack. This includes a director handbook and the pack was reviewed and significantly updated to reflect best practice at the start of 2025 and shared with all directors. As part of the induction directors identify their skills and training needs with further training offered where needs are identified. Throughout the year the Charity updates directors using seminars and briefings. Other opportunities for continued professional development are offered on a voluntary basis to the Board, with directors feeding back on the skills they wish to focus on developing further. A budget exists to pay for directors to attend individual, and skill-based CPD events.

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FUNDRAISING

In recognition of the Charity's 850th anniversary in 2024, St John's undertook a range of fundraising initiatives. The primary purpose of these was to raise awareness of the charity and the causes it supports rather than generating significant funds. In March, eight runners participated in the Bath Half Marathon on behalf of St John's, raising a total of £1,742 through the donation platform JustGiving. These events are designed to encourage voluntary contributions without placing any pressure on individuals. As a result, there is minimal perceived risk to vulnerable individuals or the wider public in relation to our fundraising activities. Additionally, we do not engage external partners to raise funds on our behalf. The Charity's Trading Company operates as a social enterprise, generating revenue to support our mission.

A key partnership in 2024 was with SouthGate Bath, where we installed an English Garden display at the heart of the shopping centre. Visitors were encouraged to take photos within the installation and donate an amount of their choice to St John's, raising £760. In December, we collaborated with SouthGate Bath again for their Christmas display, where visitors could donate £1 to illuminate a giant penguin. This initiative raised £960.

In preparation for the 850th campaign, under the impression that people may want to donate in our milestone year, we set up a dedicated fundraising page on the Charity's website in 2023. The Charity registered with the Fundraising Regulator, demonstrating our commitment to the Code of Fundraising Practice and the Fundraising Promise. QR codes and links to the fundraising page have been included in Charity publications, ensuring that anyone interested in donating or fundraising is directed to the appropriate platform. Donations are processed through JustGiving, enabling eligible taxpayers to Gift Aid their contributions.

To provide transparency, our fundraising page includes frequently asked questions covering topics such as St John's fundraising approach, the regulatory Code we adhere to, and the complaints process. In 2024, the Charity received zero complaints regarding fundraising practices (2023: zero).

All communications and actions related to leveraging the Charity for commercial advantage comply with the Charities (Protection and Social Investment) Act 2016, ensuring full regulatory adherence to this Act. We are committed to ethical fundraising and take particular care when engaging with individuals who may be in vulnerable circumstances. We recognise that vulnerability can take many forms, including age, mental or physical health conditions, disability, or life events that may affect a person's ability to make an informed decision. We do not knowingly solicit or accept donations from anyone we believe may be unable to give informed consent, and we are committed to reviewing and, if appropriate, refunding donations made under such circumstances.



BATH HALF MARATHON



SOUTHGATE SUMMER INSTALLATION



SOUTHGATE WINTER INSTALLATION

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FINANCIAL REVIEW

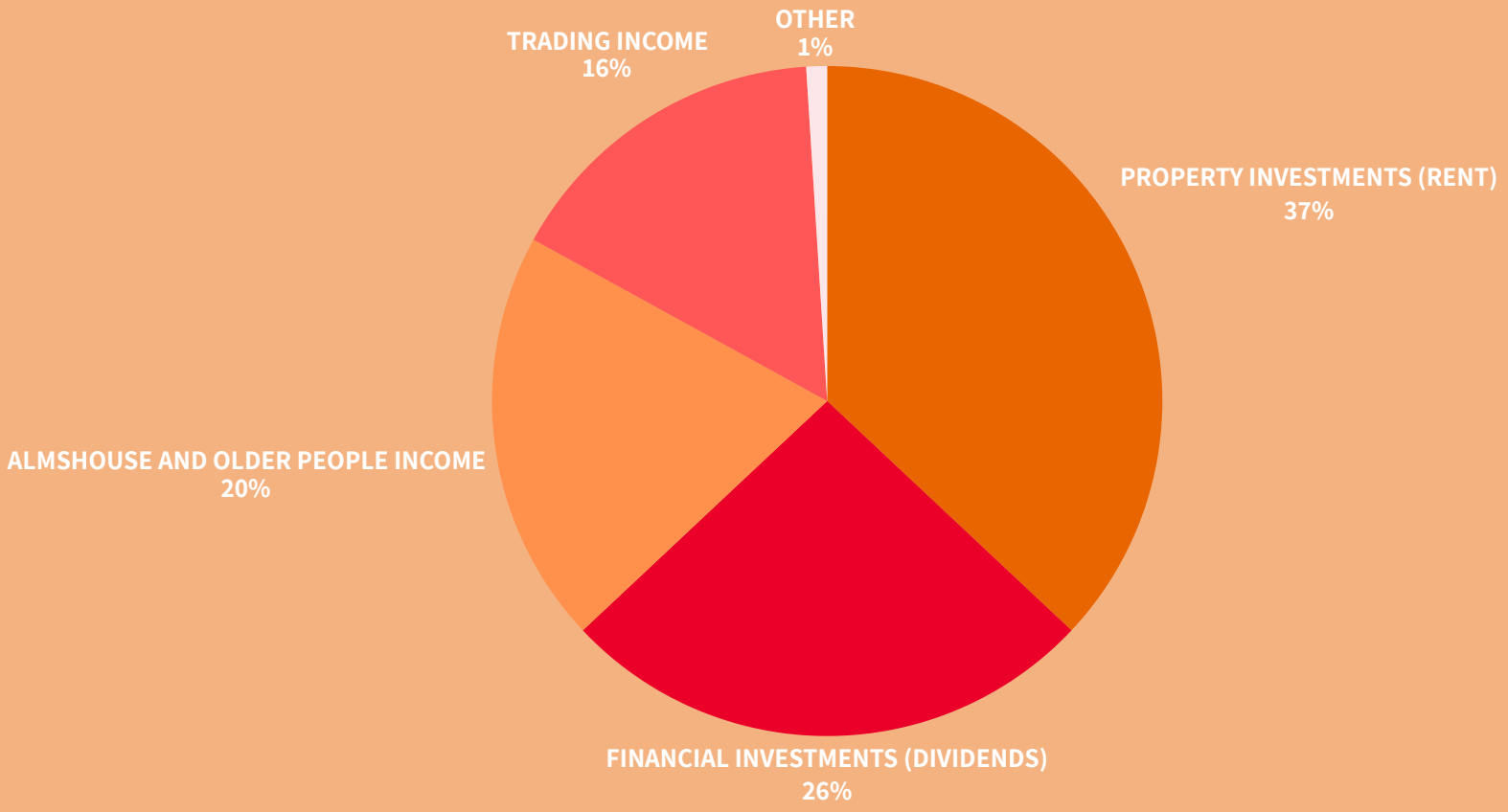
IN 2024, THE CONSOLIDATED INCOME WAS

£5.6M (£5.7M IN 2023).

AND THE INVESTMENT INCOME WAS

£3.5M (£3.9M IN 2023).

INCOME FROM BOTH TRADING AND CHARITABLE ACTIVITIES GREW.



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FINANCIAL REVIEW

CHARITABLE INCOME

Income from charitable activities, which includes income from almshouses and residential care, increased by £139,000 (14%) in 2024 from 2023.

The monthly maintenance charge paid by residents within the almshouses was reviewed in year and increased in alignment with the Local Housing Allowance. This was the main driver of the 14% increase in income from charitable activities.

Income from donations increased by £10k in 2024 to £13k.

INVESTMENT INCOME

Investment income in 2024 was £3.5m (2023: £3.9m). Within this, property income continued to fall as properties were sold and/or held vacant for disposal. Residential income fell by £100,000 (13%) and commercial income by £358,000 (20%). This was offset by higher dividend income with financial investment income increasing by 6% in year from £1.35m to £1.4m. With property disposals planned into 2025 and the reinvestment of proceeds into the financial investments to diversify the investment portfolio, the trend seen in 2024 from property income to dividends, is expected to continue into 2025. The shifting focus of the investment portfolio is also likely to see income levels fall with more emphasis on capital gains under the total return approach.

TRADING ACTIVITIES

As discussed above, the Trading Company saw an increase in overall income of £111,000 (14%) following improved years for both the House of St John's and St Catherine's apartments.

The House of St John's generated income from office rental, event space hire and co-working memberships. The business operated at a loss which was anticipated whilst new income streams are being developed. The House of St John's produced turnover of £552,000 in 2024 (£455,000 in 2023) and an overall loss of £118,000 (£186,000 in 2023).

During 2023, the holiday apartment operator running St Catherine's on the trading company's behalf went into voluntary liquidation. The running of the business was transferred to a company connected to the directors of the liquidated business for a few months whilst St John's sought a new managing agent. The new managing agents were appointed in January 2024 and started trading with St Catherine's in February 2024. These changes led to reduced income and higher costs during the transition. However, the business has recovered well in 2024, producing income of £363,000 (2023: £350,000) and a small loss of £27,000 (2023: profit of £136,000).

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FINANCIAL REVIEW

EXPENDITURE

Total expenditure in 2024 was £7.2m (2023: £6.8m).

CHARITABLE DELIVERY

Expenditure on charitable delivery was £399,000 (8%) higher in 2024 than in 2023.

Spending on Older Adults Services was £2,696,000 in 2024 (2023: £2,391,000), but 1% lower than the 2024 budget of £2,721,000. Awards of £79,000 were given to projects dedicated to older people in B&NES in 2024 (2023: £nil). Central overheads reallocated were £165,000 higher in 2024 than in 2023, reflecting 850th celebrations (£152,000 in total, £79,000 of which has been allocated to Older Adults Services), and staff costs are also higher overall in 2024 reflecting inflationary increases, maternity leave and one-off costs.

Spending on Funding and Impact was £2,669,000 in 2024 (2023: £2,575,000), and 1.5% lower than the 2024 budget, in line with planned spending on the Best Start in Life and crisis funds, the activities of which are detailed earlier in this report.

COSTS OF RAISING FUNDS

The cost of raising funds fell by 8% in 2024 to £1,046,000. The reduction was driven by lower property management costs, following property sales.

Listed investment management costs were £214,000 in 2024 (62% higher than £132,000 in 2023) due to higher valuations including £3m of transfers into listed investments from property (fees are based on portfolio valuation).

Before allocation of central overheads, spending on property management costs fell by £186,000 to £562,000 (2023: £749,000). Repair costs fluctuate year on year and are programmed over a 30-year property plan. Higher costs had been budgeted for in 2024 but repairs which were not deemed essential or likely to generate a return on sale were not undertaken on properties due for disposal. The disposal strategy should lead to repair costs reducing each year as the number of buildings in the portfolio reduces. Costs associated with new leases and renewals on the commercial estate were £50k (52%) lower in 2024 than in the prior year, and this is due to the terms of individual leases (£34,000 of the £97,000 spend in 2023 relates to a single property).

VOLUNTEERS

The Charity supports people in Bath and North East Somerset with the valued help of a small team of volunteers who work with the Good Living Service. We are incredibly grateful for the time and effort of the volunteers who support the activities of the Charity.

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FINANCIAL REVIEW

ANNUAL DEFICIT

Overall, the operating deficit for 2024 was £1.58m (2023: £1.08m) before gains and losses on investments.

Valuation gains on both listed investments and the property portfolio have created a positive movement in funds of £1.8m (2023: £3.4m) to leave an overall positive net movement in funds of £240k (2023: £2.344m).

Valuation gains are recognised as the Charity adopts a total return method of accounting. This was first adopted from the 1st of January 2013. On this date the initial value of the unapplied total return was £45.5m and the core capital endowment was valued at £35.0m. In arriving at these values, the Board used the indexed values of the permanent endowment at 1 January 1995 to represent the preserved value of the original gift.

CALCULATING OUR INFLATION +4% TARGET:

The Charity has set a target to achieve a total return from its investments of inflation +4% on average each year. 'Total return' is the sum of valuation gains and income (e.g., dividends or rent).

The Board recognises that market volatility could cause the value of its investments to fluctuate each year. However, given the Charity's overall financial strength, and the focus of the Charity on long-term housing through almshouses, a longer-term view is deemed more important. The target is therefore measured as an average over a rolling five-year period.

Investment management costs, like fees charged by investment managers, are deducted within the calculation. This means that it is a net CPI+4% return which is targeted to provide the whole CPI+4% to support charitable activities.

WHY CPI +4%?

CPI (the Consumer Prices Index) is a measure of inflation. The use of an appropriate measure of inflation is important. The Retail Prices Index (RPI) was historically used by the Charity but following careful consideration, the Board agreed to move to CPI from 1 January 2021. By ensuring the investments grow in line with inflation, the value of investments is protected to support the needs of future generations. In 2024 the permanent endowment was increase by £1.36m for CPI (2023: £2.06m CPI).

The Charity also relies on income and capital growth from its investments to fund its charitable activities today. The 4% return targeted above inflation is targeted for drawing down to spend on supporting current beneficiaries. In 2024 £5.4m of unapplied total return was allocated to income (2023: £4.5m).

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INVESTMENTS

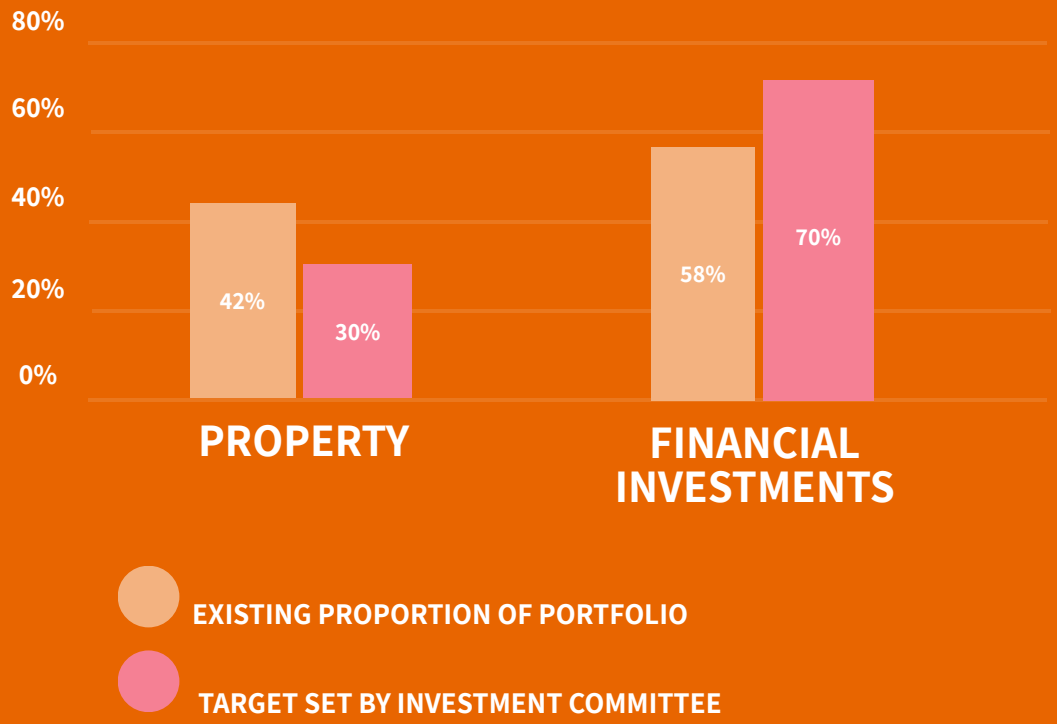
At the year end, the Charity held £103.9m of investments (2023: £105.1m). Of this, £43.5m (42%) was property in Bath (2023: £51.7m / 45%).

The Investment Committee has agreed a target strategic allocation of assets (i.e., mix of different types of investments), designed to create the highest return at an acceptable level of risk. The need to rebalance the investment portfolio (by buying and selling assets) is assessed at least annually with a detailed plan in place to achieve any identified need to rebalance the portfolio. Other investments (including a social loan, and cash balances) have not been included, as these make up less than 0.5% of the total value.

A FEW NOTES ON OUR INVESTMENT POLICY

INVESTMENTS AND STRATEGIC ASSET ALLOCATION

- Portfolio Strategy and Composition: Since adopting its current strategy in 2020, the Charity has sought to reduce reliance on direct property in favour of greater diversification through financial investments. In 2024, five properties were sold, generating £5.9m for potential reinvestment. The portfolio now comprises 42% property and 58% financial assets, moving toward the long-term target of 30:70. While diversification remains a priority, the Investment Committee continues to assess market timing and retains flexibility where properties yield strong income or serve the charitable mission.
- Performance and Income: The portfolio delivered a total return of 4.1% in 2024, below the long-term benchmark of CPI +4% (8.7%), largely due to a £2.3m downward revaluation of property. Nonetheless, income performance was resilient, supported by stable financial returns and continued rental contributions from unsold properties.
- Forthcoming Strategic Review: In the second half of 2025, the Charity will undertake a Strategic Asset Review to reassess the optimal portfolio mix, risk appetite, and drawdown strategy. This will support long-term decisions on liquidity, capital preservation, and mission alignment within our Total Return approach, reinforcing the Charity's commitment to financial resilience and meaningful impact.



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RESPONSIBLE INVESTING

The Board recognise the importance of responsible investment (RI) and during 2021 the Investment Policy was amended to better reflect the values of the Charity. The UN Sustainable Development Goals (UNSDGs) were recognised as a good indicator of this for investments and the following goals have been adopted as the Charity's investment values:

- UNSD Goal 1 – No poverty
- UNSD Goal 2 – Zero hunger
- UNSD Goal 3 - Good health and well-being
- UNSD Goal 4 – Quality education
- UNSD Goal 10 – Reduced inequalities
- UNSD Goal 11 – Sustainable cities and communities

The Board does not impose any strict exclusion criteria in relation to the investment values (though appointee investment managers may themselves have their own baseline exclusions). The investment values should provide a guiding context for investment decision making as they are important to the Charity. Any possible misalignment of investment with the guiding principles are raised on a quarterly basis with the Investment Committee.

The Board also seeks continuous improvement in how the Charity's investments can be better aligned to its investment values whilst still providing the best financial return within an acceptable level of risk. In the first instance the Board expect the following in relation to RI considerations:

- Investment managers must be signatories of the UN Principles of Responsible Investment (PRI) and report annually to the Board on their performance against the UN PRI.
- Investment managers are required to report to the Board on any baseline level of investment exclusions applied by them to the Charity's portfolios and the Board is to be kept appraised of any developments in exclusion policy by the investment managers.
- Where investment managers place the Charity's funds with 3rd party managers, the investment managers must ensure that the third-party managers are also signatories of the UN PRI, and they must evaluate their performance in relation to this.
- Annual reports are to be provided to the Board showing how the Charity's managed portfolios are performing in relation to RI considerations and where possible, this should be reported in relation to the Charity's investment values. The Board acknowledge that this reporting will be emergent but expects it to become more mature over time to enable the Board to track how well the Charity's investments are aligned to the Charity's values.
- It is expected that investment managers will report to the Investment Committee on a quarterly basis on any conduct breach of the UN Global Compact by companies within our investment portfolio.
- Individual investments may be excluded if seen to conflict with the investment values.

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CHARITY RESERVES

Most of the Charity's reserves are held as investments. The income from these investments is needed to support today's beneficiaries, as well as future generations. The Board therefore protect a significant proportion of reserves for future use. At the end of 2024, total Charity reserves were £114.9m (2023: £114.7m).

The Charity adopts a zero "free" reserves policy. This policy aims to draw down funds from the unapplied total returns into unrestricted reserves only as required to meet operational expenditure in any given year, including enough to cover commitments at year end.
However, not all the unrestricted fund is relevant in calculating free reserves and a zero 'free' reserves policy does not mean that the unrestricted fund is zero. The following are still held in the unrestricted fund and excluded in calculating the 'free' reserves as they are not readily available for spending:

- Any operational fixed assets not already excluded from unrestricted funds through the functional endowment (e.g., head office) of £1.7m (2023: £1.7m).
- Committed awards or building contracts, not included as a liability in the accounts of £1.2m (except those already excluded from unrestricted funds through the functional endowment) (2023: £1.2m).

CHARITY ONLY	(£'000S)
INVESTED ENDOWMENT	£100,474
FUNCTIONAL ENDOWMENT	£12,215
OPERATIONAL ASSETS (EXCLUDING ENDOWED)	£1,733
COMMITMENTS	£1,244
RESTRICTED FUNDS	£16
"FREE" RESERVES	£NIL
TOTAL RESERVES	£115,682

At 31 December 2024, there were £nil free reserves. In 2023, there was a deficit of £0.5m, such that the accounts showed insufficient unrestricted reserves held to meet the commitments that existed at the time. However, this deficit was corrected by "top up" transfers from unapplied total return to unrestricted funds during 2024.

The Boards considers a zero "free" reserves policy to be a reasonable approach as the Charity adopts a total return approach and holds significant unapplied total returns which can be expended as required. The level of reserves required for transfer must be set prior to the year end and is usually set at a high-level estimate of what is required.

The level of unapplied total returns is managed carefully to ensure that the Charity has financial resilience but also maximises the charitable impact by not holding surplus funds. This is achieved through long term financial planning to ensure that investments are maintained at a level which will produce sufficient returns to fund the almshouses, the Good Living Service and funding awards for future generations and protects the spending power of this by inflation. Unapplied total returns in excess of this are expendable on the Best Start in Life strategy and other subsequent strategies and can be released for expenditure by resolution of the Board.

As a long-term approach is taken, the level of unapplied total returns in any one year is expected to fluctuate but the average position is considered and taken into financial planning to determine spending plans and budgets.

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RISKS

Within the Charity, each team actively manages its own risk register to ensure mitigating actions are carried out and scoring is up to date. High-scoring risks (i.e., those with significant likelihood and impact) are included on the Corporate Risk Register. The Audit and Risk Committee reviews the Corporate Risk Register four times a year and may suggest further actions to reduce the likelihood or impact of a risk.

The key risks St John's manages can be summarised into charitable impact, economic and people related risks as follows:

Charitable impact risk: failure to achieve and/or demonstrate charitable impact to the extent intended.
Mitigating actions: Robust due diligence processes are in place for established charitable work throughout the crisis programme and almshouses. The 2020 – 2030 strategy, covering all aspects of charitable delivery including its ambitious goal to reduce the attainment gap in Bath and North East Somerset, is supported by evaluation and delivery partners, and a system of capabilities to drive continuous improvement. A detailed strategic review is planned in 2025 which will further focus on mitigating this risk.

Economic Risk: Failure to achieve the targeted total return which impacts the income/ capital required to pursue strategic aims. This encompasses the short-term volatility in investment values particularly in current economic climate.
Mitigating actions: The Charity takes a long-term view on its investments, and it uses professional investment managers for the financial portfolio to enable recovery and future growth, and to mitigate short-term impacts. The direct property portfolio is proactively managed with agents' advice. The long-term financial plan is regularly refreshed and guides discussion, planning and decision making at Investment Committee and Board. The new investment strategy and divestment of properties is a mitigating action to this risk by better diversifying the portfolio. On an operational level, employees are supported to regularly engage with budget/ forecasting exercises, actively manage contracts, and consider costs throughout projects to ensure financial efficiency in delivering strategic aims.

People-related risk: A member of staff is unexpectedly unable to carry out their duties, which has a detrimental impact on service delivery or creates a risk through lack of information sharing. This risk is naturally high for a small organisation with several small but specialist roles. The risk has increased with employee absences due to ill-health and a turnover in the executive team.
Mitigating actions: Small teams such as finance and governance have developed clear procedure notes for people to follow in the event of absences. Document storage structures are centralised to improve visibility and access across teams with consistency of approach. If needed, the technology team is able to open access to all folders as directed by executive approval. Where possible, teams are encouraged to share and shadow key tasks to reduce the reliance on any one role. The new finance system will include clear delegation routes which enables redirection in the event of absence and the organisation's culture focuses on collaboration encouraging people to handover where as much as possible before an absence and that teams work together in the event of unplanned absence.

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GOING CONCERN

The Charity considers that it has adequate resources to continue in operational existence for the foreseeable future and has adopted the going concern assumption in preparing these financial statements.

The Board actively plan for the Charity to exist for many years, and this is reflected in the approaches taken to both long-term planning of investments and reserves, detailed above. These approaches (including the planned level of unapplied total returns held by the Charity and the discretion that it has over its expenditure) mean that whilst heavily reliant on investment returns, the Board consider the Charity to be resilient to shorter-term volatility in its investments and plans are in place to remain adequately resourced to meet the need of both present and future beneficiaries. To provide ample headroom, overdraft facilities are in place which cover a reasonable worst-case scenario for cash flow and if required, the financial investments could be liquidated.



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PROFESSIONAL ADVISORS

EXTERNAL AUDITOR

Crowe U.K. LLP 4th Floor, St James House, St James' Square, Cheltenham, GL50 3PR

BANKERS

Handelsbanken Plc 7 Henry St, Bath, BA1 1JR
Hampdens & Co Plc 20/21 Charlotte Square, Edinburgh, EH2 4DR

SOLICITORS

Thrings LLP 2 Queen Square, Bath, BA1 2HQ
Stone King LLP Upper Borough Court, Upper Borough Walls, Bath BA1 1HJ
Moger Drewetts LLP, St James House, The Square, Lower Bristol Rd, Bath BA2 3BH

INVESTMENT MANAGERS

Evelyn Partners Investment Management LLP Portwall Place, Portwall Lane, Bristol, BS1 6NA
Schroder & Co Ltd trading as Cazenove Capital, 1 London Wall Place, London EC2Y 5AU
Charities Property Fund Savills Investment Management, 33 Margaret Street, London, W1G 0JD

CHARTERED SURVEYORS

Jones Lang LaSalle Ltd 31 Great George St, Bristol, BS1 5QD
Martin Blake Associates Ltd 8a Bartlett St, Bath, BA1 2QZ
Carter Jonas 5-6 Wood St, Bath, BA1 2JQ
C Squared 82 Walcot St, Bath BA15BD

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STATEMENT OF TRUSTEE COMPANY RESPONSIBILITIES

The Trustee Company is responsible for preparing the Trustee's Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom).

The law applicable to charities in England and Wales requires the Trustee Company to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and the group and of the incoming resources and application of resources of the Charity and the group for that period.

In preparing these financial statements, the Trustee Company is required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgments 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; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustee Company is responsible for keeping proper accounting records that are sufficient to show and explain the Charity's transactions, that disclose with reasonable accuracy at any time the financial position of the Charity and enables it to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed.

It is also responsible for safeguarding the assets of the Charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustee Company is responsible for the maintenance and integrity of the financial information included on the Charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Crowe U.K. LLP have been appointed as auditors in the period. A resolution for the reappointment of Crowe U.K. LLP as auditors for the Charity will be proposed at the forthcoming Annual General Meeting.

The Trustees' Report and this Statement of Trustee Company Responsibilities are authorised for issue by the Board of the Trustee Company on 26th June 2025.

Name: Sandy Forbes Signature: Signed by: Sandy Forbes 7DC20E8D642145A...

Name: Madeleine Musselwhite Signature: Signed by: Madeleine Musselwhite D8B33444080B42C...

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST JOHN'S FOUNDATION EST. 1174

OPINION

We have audited the financial statements of St. John's Foundation Est. 1174 ('the Charity') and its subsidiary ('the group') for the year ended 31 December 2024 which comprise Consolidated statement of financial activities, Consolidated Balance sheet, Charity Balance sheet, Consolidated statement of cash flows and notes to the financial statements, including 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 group's and the parent Charity's affairs as at 31 December 2024 and of the group's 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 group 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 Trustee Company's 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 or the group'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.

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

OTHER INFORMATION

The Trustee Company is responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, 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.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

- the information given in the financial statements is inconsistent in any material respect with the Trustee report; or
- sufficient and proper accounting records have not been kept by the parent Charity; 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 TRUSTEE COMPANY

As explained more fully in the Trustee Company responsibilities statement set out on page 50 the Trustee Company is 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 Trustee Company 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 Trustee Company is responsible for assessing the group's and the parent 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 Trustee Company 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 151 of the Charities Act 2011 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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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. Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.
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.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the Charity and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the Charity's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the Charity and the group for fraud.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustee Company and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management and investment properties. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance and designing audit procedures over investment properties.

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Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

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.

USE OF OUR REPORT

This report is made solely to the Charity's Board, 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 Trustee Company 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 Trustee Company as a body, for our audit work, for this report, or for the opinions we have formed.

Signed by:
Crowe U.K. LLP
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Crowe U.K. LLP
Statutory Auditor
Fourth Floor
St James House
St James Square
Cheltenham
GL50 3PR

Crowe U.K. LLP is eligible for appointment as auditor of the Charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

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St John's Foundation Est. 1174
Year ended 31 December 2024

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

	Note	Unrestricted fund £'000	Restricted funds £'000	Endowment fund £'000	Total 2024 £'000	Total 2023 £'000
Income and endowments from:						
Charitable activities		1,149	-	-	1,149	1,010
Investment income	2a	8	8	3,512	3,528	3,901
Other trading activities		937	-	-	937	797
Donations and legacies	2b	13	-	-	13	3
Transfer to income	17a/21	5,430	-	(5,430)	-	-
Total income		**7,537**	**8**	**(1,918)**	**5,627**	**5,711**
Expenditure:						
Expenditure on charitable activities:						
Older adults services		2,573	9	114	2,696	2,391
Funding and impact	7	2,657	12	-	2,669	2,575
Total expenditure on charitable activities	3	5,230	21	114	5,365	4,966
Cost of raising funds	4	732	-	314	1,046	1,135
Other expenditure	5	797	-	-	797	693
Total expenditure		**6,759**	**21**	**428**	**7,208**	**6,794**
Net (expenditure) before investment gains		**778**	**(13)**	**(2,346)**	**(1,581)**	**(1,083)**
Net gains on investments	13	-	-	1,821	1,821	3,427
Net income / (expenditure)		778	(13)	(525)	240	2,344
Transfers between funds	21	(137)	-	137	-	-
Net (expenditure)/ income & net movement in funds		**641**	**(13)**	**(388)**	**240**	**2,344**
Reconciliation of funds:						
Total funds brought forward	22	2,406	29	112,314	114,749	112,405
Total funds carried forward	22	**3,047**	**16**	**111,926**	**114,989**	**114,749**

The notes on pages 60 to 87 form part of these financial statements.

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St John's Foundation Est. 1174
As at 31 December 2024

CONSOLIDATED BALANCE SHEET

	Note	2024 £'000	2023 £'000
Fixed Assets			
Intangible assets	10	18	30
Tangible assets – freehold property	11	11,683	11,630
Other tangible fixed assets	12	555	539
Investments:			
Financial and property investments	13	103,883	105,090
Social investments	14	63	68
		116,202	**117,357**
Current Assets			
Social investments	14	5	-
Debtors	15	1,180	1,134
Cash at bank and in hand		2,344	1,102
		3,529	**2,236**
Creditors: amounts falling due within one year	16a	(3,370)	(3,284)
Net current assets / (liablities)		**159**	**(1,048)**
Total assets less current liabilities		**116,361**	**116,309**
Creditors: amounts falling due after more than one year	16b	(1,372)	(1,560)
Total net assets		**114,989**	**114,749**
Group reserves			
Invested endowment fund	17a	99,579	99,993
Functional endowment fund	17b	12,215	12,192
Roxburgh endowment fund	18	132	129
Unrestricted general fund	19	3,047	2,406
Restricted funds	20	16	29
		114,989	**114,749**

The notes on pages 60 to 87 form part of these financial statements. These financial statements were approved and authorised for issue by the Trustee at the meeting held on 26th June 2025 and were signed on its behalf by:

Signed by:
Sandy Forbes
7DC20E8D642145A...

Sandy Forbes

Signed by:
Madeleine Musselwhite
D8B33444080B42C...

Madeleine Musselwhite

Docusign Envelope ID: 366E483A-15B8-482B-8514-45F3C153E92D

St John's Foundation Est. 1174
As at 31 December 2024

CHARITY BALANCE SHEET

	Note	2024 £'000	2023 £'000
Fixed Assets			
Intangible assets	10	17	23
Tangible assets – freehold property	11	11,695	11,642
Other tangible assets	12	401	373
Investments:			
Financial and property investments	13	103,933	105,140
Social investments	14	63	68
		116,109	**117,246**
Current Assets			
Social investments	14	5	-
Debtors	15	1,945	2,059
Cash at bank and in hand		2,211	791
		4,161	**2,850**
Creditors: amounts falling due within one year	16a	(3,216)	(3,249)
Net current assets / (liabilities)		945	(399)
Total assets less current liabilities		**117,054**	**116,847**
Creditors: amounts falling due after more than one year	16b	(1,372)	(1,560)
Total net assets		**115,682**	**115,287**
Charity reserves			
Invested endowment fund	17a	100,341	100,535
Functional endowment fund	17b	12,215	12,192
Roxburgh endowment fund	18	132	129
Unrestricted general fund	19	2,978	2,402
Restricted funds	20	16	29
		115,682	**115,287**

The notes on pages 60 - 87 form part of these financial statements. These financial statements were approved and authorised for issue by the Trustee at the meeting held on 26th June 2025 and were signed on its behalf by:

Signed by:
Sandy Forbes
7DC20E8D642145A...

Sandy Forbes

Signed by:
Madeleine Musselwhite
D8B3944080B42C...

Madeleine Musselwhite

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St John's Foundation Est. 1174
Year ended 31 December 2024

CONSOLIDATED STATEMENT OF CASH FLOWS

	2024 £'000	2023 £'000
Cash flows used by operating activities (note A)	(4,693)	(4,431)
Cash flows from financing activity		
Repayments of borrowings	(18)	(289)
Net cash from / (used in) financing activity	(18)	(289)
Cash flows from investing activities:		
Dividends, interest and rents from investments	3,528	3,901
Costs of generating funds paid by endowment capital	(314)	(187)
Improvements to investment properties	-	(94)
Movement of cash held by brokers to investments	(5)	(15)
Purchase of investments	(23,001)	(14,733)
Proceeds from the sale of investments	26,035	19,618
Social investments repaid	-	31
Purchase of property, plant and equipment	(294)	(367)
Purchase of intangible assets	(2)	(8)
Net cash provided by investing activity	5,947	8,147
Net increase in cash and cash equivalents	1,236	3,426
Change in cash and cash equivalents in the year	1,236	3,426
Cash and cash equivalents at the beginning of the year	(937)	(4,363)
Cash and cash equivalents at the end of the reporting period (note B)	299	(937)

NOTE A: Reconciliation of net income to net cash flow from operating activities

	2024 £'000	2023 £'000
Net income for the year (per Statement of Financial Activities)	240	2,344
Depreciation and amortisation charges	239	237
(Gain) on investments	(1,821)	(3,427)
Dividends, interest and rents from investments	(3,528)	(3,901)
(Increase) / Decrease in debtors	(46)	46
(Decrease) / Increase in creditors	(91)	83
Cost of generating funds from endowed capital	314	187
Cash outflow from operating activities	(4,693)	(4,431)

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CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

NOTE B: Analysis of cash and cash equivalents	At start of year	At end of year
	£'000	£'000
Cash	1,102	2,344
Overdraft facility repayable on demand	(2,038)	(2,045)
Total	(936)	299

NOTE C: Analysis of changes in net debt	At start of year	Cash-flows	At end of year
	£'000	£'000	£'000
Cash	1,102	1,242	2,344
Overdraft facility repayable on demand	(2,038)	(7)	(2,045)
	(936)	1,235	299
Loans falling due within one year	(173)	(170)	(343)
Loans falling due after one year	(1,560)	188	(1,372)
Total	(2,669)	1,253	(1,416)

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St John's Foundation Est. 1174
Year ended 31 December 2024

Notes to the Financial Statements

Principal Accounting Policies

Consolidation

The group financial statements consolidate the financial statements of the charity and its wholly owned subsidiary, St John's Hospital Trading Company Ltd ('the subsidiary') for the year ended 31 December 2024. The results of the subsidiary for the year are set out in note 13. The group will be referred to as 'St John's' or 'the charity' throughout these financial statements. All intergroup sales and profits have been eliminated upon consolidation. The Mayor of Bath's Relief Fund (Charity ref. 204649) has not been consolidated as, in line with the exemption granted by the Companies Act 2006, its inclusion is not material for the purpose of giving a true and fair view. The appropriateness of this treatment is reviewed annually. St John's Hospital Design and Build Ltd, an additional subsidiary incorporated 16 October 2023, has not been consolidated as it is dormant.

Basis of preparation

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland ('FRS102 SORP') and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ('FRS102')(effective 1st January 2019) and the Charities Act 2011 and UK Generally Accepted Accounting Practice.

St. John's Foundation Est. 1174 constitutes a public benefit entity as defined by FRS102 and is an unincorporated Charity; its subsidiary is a limited company. The functional currency of the Group is sterling. The registered address of both the Charity and its subsidiary is 4/5 Chapel Court, Bath, BA1 1SQ. The country of incorporation for the subsidiary is the United Kingdom.

Except as set out below, the financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value. Freehold housing properties (operational properties) are shown at deemed cost. Investment properties are shown at their revalued amounts and the investment portfolios are valued at closing market values. These policies have been applied consistently throughout the current and prior year.

The results for the charity and reconciliation of funds are shown in notes 17 to 22. The Charity has also taken qualifying exemptions available to a qualifying entity in FRS 102 from the requirement to present a Charity only cash flow statement.

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Notes to the Financial Statements

Principal Accounting Policies (continued)

Assessment of going concern

The Charity considers that it has adequate resources to continue in operational existence for the foreseeable future and has adopted the going concern assumption in preparing these financial statements.

The trustees actively plan for the Charity to exist for many years, and this is reflected in the approaches taken to both long-term planning of investments and reserves, detailed above. These approaches (including the planned level of unapplied total returns held by the Charity and the discretion that it has over its expenditure) mean that whilst heavily reliant on investment returns, the trustees consider the Charity to be resilient to shorter-term volatility in its investments and plans are in place to remain adequately resourced to meet the need of both present and future beneficiaries. To provide ample headroom, overdraft facilities are in place which cover a reasonable worst-case scenario for cash flow and if required, the financial investments could be liquidated.

Income recognition

Income is recognised when the charity has entitlement to the income, it is probable that the income will be received, and the amount of income receivable can be measured reliably. Dividend income is recognised when the dividend has been declared. Interest on capital is recognised when receivable and the amount can be measured reliably. This is upon notification by our investment advisors or the bank of the dividend or interest yield.

Rental income, from investment properties, is recognised over the term of the lease with any lease incentives spread evenly over the lease term. Particular attention has been given this year to assessing the probability of receiving rental income before it is recognised (see accounting policy "key sources of estimation uncertainty"). Almshouse income represents fees from residents and other service user income and is credited to the unrestricted fund. It is recognised in the period to which the almshouse residency relates on an accruals basis.

Donations and grants

Donations are accounted for when received. Donations subject to specific wishes of the donors are carried to the relevant restricted fund.

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Notes to the Financial Statements

Principal Accounting Policies (continued)

Expenditure

All expenditure is accounted for on an accruals basis and is recognised when there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All costs have been directly attributed to one of the functional categories of expenditure in the SOFA. The cost of raising funds includes investment management costs, for both our listed and property investments. Expenditure on charitable activities includes the cost of running our almshouses, outreach services and our awards programme. Please also refer to the paragraph below regarding the allocation of support costs to activities.

Funding awards payable

Funding awards payable are payments made to third parties in the furtherance of the charity's objects. In the case of an unconditional award offer this is accrued once the recipient has been notified of the award. Where performance-related conditions are attached the cost of the award is not recognised until there is sufficient evidence that the conditions will be met.

Individual awards are recognised on approval of the award. Multi-year awards for core funding are recognised in full on approval of the award where there are no performance conditions attached.

Irrecoverable VAT

Irrecoverable VAT is charged to the SOFA or capitalised as part of the cost of the related asset, where appropriate. The charity has opted to charge tax on certain commercial properties and recovers the associated input VAT. All other expenses are shown inclusive of non-recoverable VAT.

Allocation of support costs

General management expenses (including depreciation, property costs and the cost of supporting teams) and governance costs are apportioned between charitable activities and raising funds. The split of overheads is a close reflection of the time spent on each activity. Governance costs include audit and accounting fees, and Trustee expenses.

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Notes to the Financial Statements

Principal Accounting Policies (continued)

Gifts in kind, donated services or facilities and volunteers

These are estimated and included in the period in which they are received. In accordance with the Charities SORP (FRS102), volunteer time is not recognised in the SOFA. More information about their contribution is explained in the Trustee's annual report.

Intangible fixed assets

Intangible fixed assets are those which lack physical substance but provide an on-going economic benefit for the charity. They are recognised at historic cost and subsequently amortised so as to write off the cost over their expected useful lives, as follows:
Website 3 years / 33% per annum
Software & brands 4 years / 25% per annum

Tangible fixed assets

The limit above which assets are capitalised is £500 (for individual purchases) and £1,000 (aggregated). Office and computer equipment, fixtures and fittings and motor vehicles are stated at cost less depreciation and provision for impairment. Depreciation is calculated to write off the cost of such fixed assets over their expected useful lives; the rate used for this purpose in the charity is 5% to 25% per annum on a straight line basis, depending on the asset. In the trading company the rates vary from 10% to 33%.

Housing and administrative properties

Housing and administrative properties are included in the financial statement as freehold fixed assets. The cost of freehold housing properties represents deemed cost at 1st January 2014 under transition to FRS102, plus subsequent additions at cost. Assets are stated at deemed cost less accumulated depreciation and any accumulated impairment losses. Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets, other than freehold land, over their expected useful lives, using the straight-line method. The applicable rate is:

Freehold buildings 50 years / 2% per annum

Freehold land is not depreciated. A depreciation rate of 2% is applied to the buildings' cost, which is assessed to be two thirds of the total property value less its residual value.

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Notes to the Financial Statements

Principal Accounting Policies (continued)

Fixed asset investments

Investment properties

The charity owns freehold properties and ground rents for long term investment. In accordance with FRS102 these are included in the balance sheet at valuation at 31 December 2024, and the surplus or loss arising on revaluation has been transferred to the relevant reserve. On disposal of investment properties, the net gain or loss on disposal is calculated and transferred to the relevant reserve. The gain or loss is calcultaed as the proceeds less book value at the previous year end less direct costs of disposal, such as agent and legal fees.

Quoted investments

Investments are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing market bid price. The SOFA includes the net gains and losses arising on revaluation and disposals throughout the year. The surplus or deficit arising on revaluation has been credited or charged to reserves, as appropriate.

The charity does not have any derivatives or other complex financial instruments.

Social investments

Social investments are in the form of concessionary loans to third parties, which aim to generate a financial return whilst furthering the charitable aims of the charity. As such, they have been classified as mixed-motive investments. These loans are initially recognised at the amount drawn down and the carrying amount then adjusted to reflect capital repayments and any accrued interest and impairment in line with paragraph 21.26 of the FRS 102 SORP.

Investment in subsidiary

The investment in the subsidiary is held at cost and reviewed annually for impairment.

Taxation

The Charity does not pay tax, provided any surplus or gains are used for charitable purposes. For the subsidiary, current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted at the balance sheet date.

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Notes to the Financial Statements

Principal Accounting Policies (continued)

Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Restricted and endowment funds are subject to specific restrictions imposed by the donor of the income or the Charity Commission. Further explanation of each fund held by the charity is contained in notes 17-22 of these financial statements.

Total return accounting

The Charity Commission permitted the charity to adopt the use of total return in relation to its permanent endowment on 25th September 2012. The power permits the Trustee to invest permanent endowments to maximise total return and to make available an appropriate portion to the total return for expenditure each year. Until this power is exercised the total return shall be an 'unapplied total return' and remain as part of the permanent endowment. The Trustee has used the indexed values of the permanent endowment at 1st January 1995 to present the 'preserved value' of the original gift.

Financial instruments

The charity only has financial assets and financial liabilities that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost. Financial assets include the charity's trade and other receivables. Financial liabilities include the charity's trade creditors, accruals and other creditors.

Debtors

Trade, other debtors and accrued income are recognised at the settlement amount due after any discounts offered. Prepayments are valued at the amount prepaid net of any discounts due.

Cash and cash equivalents

Cash and cash at bank comprise short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

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Notes to the Financial Statements

Principal Accounting Policies (continued)

Creditors

Creditors are recognised at their settlement amount after allowing for any trade discounts due.

Pension costs

Employees of the charity are entitled to join a defined contribution scheme. The pension costs charged in the year represent the amount of the contributions payable to the defined contribution scheme in respect of the accounting period. The charity's pension contributions for current employees are charged to the SOFA in the year in which the contribution arises. The charity has no liability beyond making its contributions and paying across the deductions for the employees' contributions.

Key sources of estimation uncertainty

Revaluation of properties
The charity carries its investment property at fair value, with changes in the fair value being recognised in the SOFA. Fair value is determined by independent valuation specialists using discounted cash flow models over an appropriate period, with the net income in the final year capitalised into perpetuity. Allowances are made for voids and the cost of management, repairs and maintenance. The discount rate used reflects the overall level of risk associated with the income.

Useful economic lives of tangible assets
The annual depreciation charge for tangible assets (and amortisation for intangible assets) is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See notes 10-12 for the carrying amount of the property, land, plant and equipment.

Residual value of tangible assets
The residual value of operational properties has been estimated at 25% (the land on which the buildings are situated is not depreciated). This estimate has been reached on the basis that, as sites are actively used by the charity, and the majority are grade I and II listed, they are kept to a high standard of repair. It would therefore not be representative of the assets' ongoing worth to depreciate them fully.

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St John's Foundation Est. 1174
Year ended 31 December 2024

Notes to the Financial Statements

1. Comparative Consolidated Statement of Financial Activities

	Unrestricted fund £'000	Restricted funds £'000	Endowment fund £'000	Total 2023 £'000
Income and endowments from:				
Charitable activities	985	25	-	1,010
Investment income	1	8	3,892	3,901
Other trading activities	797	-	-	797
Donations and legacies	1	2	-	3
Transfer to income	4,500	-	(4,500)	-
Total income	**6,284**	**35**	**(608)**	**5,711**
Expenditure:				
Expenditure on charitable activities:				
Residential care & support	2,262	15	114	2,391
Funding and impact	2,546	29	-	2,575
Total expenditure on charitable activities	4,808	44	114	4,966
Cost of raising funds	948	-	187	1,135
Other expenditure	693	-	-	693
Total expenditure	**6,449**	**44**	**301**	**6,794**
Net income / (expenditure) before investment (losses) / gains	**(165)**	**(9)**	**(909)**	**(1,083)**
Net gains / (losses) on investments	-	-	3,427	3,427
Net income	(165)	(9)	2,518	2,344
Transfers between funds	-	-	-	-
Net income and net movement in funds	**(165)**	**(9)**	**2,518**	**2,344**
Reconciliation of funds:				
Total funds brought forward	2,571	38	109,796	112,405
Total funds carried forward	**2,406**	**29**	**112,314**	**114,749**

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Notes to the Financial Statements

2. Income

2a. Investment income

Consolidated	Unrestricted fund	Restricted fund	Permanent endowment fund	2024	2023
	£'000	£'000	£'000	£'000	£'000
Commercial investment properties	-	-	1,404	1,404	1,762
Residential investment properties	-	-	680	680	780
Property investment income	**-**	**-**	**2,084**	**2,084**	**2,542**
Interest received on social investment	-	-	5	5	4
Listed investments	-	8	1,423	1,431	1,355
Interest on cash deposits	2	-	-	2	-
Other interest	6	-	-	6	-
Non-property investment income	**8**	**8**	**1,428**	**1,444**	**1,359**
Total	**8**	**8**	**3,512**	**3,528**	**3,901**

2b. Donations and legacies including government grants

No government funding or donations from other charitable foundations were received in 2024. All other donations were small amounts received through the year.

3. Total expenditure on charitable activities

	Staff costs	Depreciation	Other costs	2024	2023
	£'000	£'000	£'000	£'000	£'000
Older adults services	1,098	169	1,429	2,696	2,391
Funding and impact	614	8	2,047	2,669	2,575
Total	**1,712**	**177**	**3,476**	**5,365**	**4,966**

4. Total cost of raising funds

	Staff costs	Depreciation	Other costs	2024	2023
	£'000	£'000	£'000	£'000	£'000
Property investment management costs	236	6	590	832	1,003
Other investment management costs	-	-	214	214	132
Total	**236**	**6**	**804**	**1,046**	**1,135**

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Notes to the Financial Statements

5. Other expenditure

	Staff costs £'000	Depreciation £'000	Other costs £'000	2024 £'000	2023 £'000
Trading expenditure	159	58	580	797	693
Total	159	58	580	797	693

6. Governance costs

The charity identifies the costs which relate to the charity's governance function and these are recorded as part of the total costs of raising funds (see note 4) and expenditure on charitable activities (see note 3) and such costs are recorded in other expenditure when incurred by the Trading Company. Governance costs are detailed as follows:

	2024 £'000	2023 £'000
Auditor fees (including irrecoverable VAT):		
- for audit services	22	21
Accountancy and other professional services	3	29
Trustee expenses	7	7
	32	57
These have been split across activities:		
Older adults services	14	22
Funding and impact	14	22
Property operational costs	4	7
Other expenditure	-	6
	32	57

Auditor fees for audit services as stated above include irrecoverable VAT and are dependent upon best estimates of accrued costs. In 2024, actual fees (net of VAT) were £19,374 (2023: £18,800).

7. Funding and impact

	2024 £'000	2023 £'000
Individual funding	235	157
Organisational funding	1,361	1,268
Funding support costs	1,073	1,150
	2,669	2,575

St John's awarded grants to a number of individuals and organisations in furtherance of its charitable activities. During 2024, a total of 106 (2023: 44) new awards were made to organisations. For awards payable to individuals, the maximum amount payable is usually £1,800 over two years (2023: £1,800 over two years).

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Notes to the Financial Statements

7. Funding and impact (continued)

Recipients of organisational funding awards:
All organisation awards with a combined total of £15,000 or over paid in the year to charitable groups as part of the £ above are shown below.

Project	Organisation	Amount (£)
PEP Emotional & Behavioural Support	Brighter Futures	£263,928
PEP Oracy Support	HCRG Care Group	£72,000
Roundhill Reading and Writing Support	Roundhill Primary School	£60,100
Castle Primary School Reading and Writing Support	Castle Primary School	£57,000
Early Nurture Service Pilot	Brighter Futures	£53,442
Glasshouse Activity Club	Bath Recreation Limited	£50,000
Debtcaseworkers 2023 - 2026	Citizens Advice BANES	£49,350
St Michael's Reading and Writing Support	St Michaels Junior School	£47,600
St Martin's Garden Reading and Writing Support	St Martin's Garden Primary School	£41,600
Language for Life 2024 - 2026	B&NES Council	£40,925
Language for Life 2024 - 2026	HCRG Care Group	£40,333
Language for Life 2024 - 2026	HCRG Care Group	£40,333
Language for Life 2024 - 2026	HCRG Care Group	£40,333
Organisational Funding - Good Living 2024-Ageing Well B&NES	Age UK Bath & North East Somerset Ltd, GBP	£40,000
Twerton Infants Reading and Writing Support	Twerton Infants School	£38,100
St Keyna Reading and Writing Support	St Keyna Primary School	£37,100
No Child Should Go Hungry in B&NES 2024	FareShare South West	£35,000
Health Improvement Officer - food poverty '24 - '27	B&NES Council	£34,947
Furnished tenancy pilot - Cosy Start	Curo	£30,000
St Mary's Writhlington Reading and Writing Support	St Mary's Primary School Writhlington	£29,080
PEP Numeracy Support	White Rose Education	£23,989
Director role core funding	3SG	£20,000
Language for Life 2024 - 2026	B&NES Council	£18,338
Language for Life 2024 - 2026	B&NES Council	£18,338
Healthy Brain Clinic RICE	RICE Clinic, GBP	£15,000
A permanent home for Bath Shed group at Bath City Farm	Bath City Farm	£15,000

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Notes to the Financial Statements

8. Staff costs and remuneration of key management personnel

	2024 £'000	2023 £'000
Wages and salaries	1,724	1,518
Social security costs	162	151
Pension costs	162	164
Other employee benefits	13	18
Agency staff costs	74	6
	2,135	1,857

Included in the above is £194k relating to termination payments to two members of staff in 2024 (2023: none).

The average number of persons employed by the Group during the year and the prior year was:

	2024 number	2023 number
Older adults services	13	14
Funding & impact	4	4
Management, administration & other	21	22
Trading activities	3	3
	41	43

The number of employees whose emoluments were in excess of £60,000 per annum, excluding pension costs and employer's NIC, fell within the following bands:

	2024 number	2023 number
£60,001 - £70,000	2	2
£80,001 - £90,000	1	-
£90,001 - £100,000	1	2
£110,001 - £120,000	-	1
£150,001 - £160,000	1	-
£160,001 - £170,000	1	-
	6	5

St John's considers its key management personnel to comprise the directors of the Trustee and the executive team. The employer pension contributions made in respect of key management personnel to the defined contribution scheme amounted to £34,000 (2023: £30,000).

No enhanced or special terms apply and there are no additional pension arrangements for these employees. The total employment benefits, including employer pension and national insurance contributions of the key management personnel were £629,000 (2023: £370,000).

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Notes to the Financial Statements

9. Related party transactions and trustees' expenses and remuneration

Transactions between the Charity and the Trading Subsidiary

In 2024, the Charity charged £97,519 (2023: £97,481) for the lease of St Catherine's Hospital to the Trading Company, and it charged £123,122 (2023: £133,923 for the lease of the House of St John's (1 Queen Square). A 12 month rent reduction from £141,000 to £120,000 per annum was granted by the Charity to the Trading Company for 1 Queen Square from 24th June 2024.

Also, costs relating to the Trading Company (such as insurance, utilities, repairs and staff time) were recharged to the Trading Company at cost. In 2024, this amounted to £88,215 (2023: £91,770).

At the year end, the Trading Company owed the Charity £950,000 in respect of rent and recharges (2023: £915,000), excluding the uninvoiced rent of £nil held as accrued income by the Charity (2023: £125,000). The uninvoiced rent of £125,000 (accrued during the covid lockdown) was written off by the Charity during 2023.

Trustee expenses

During 2024, all the directors of the Trustee continued to give their time and expertise without any form of remuneration or other benefit in cash or kind (2023: £nil).

Expenses paid to the directors of the Trustee in 2024 totalled £1,743 (2023: £1,572). These expenses were paid to five directors (2023: six directors) for travel and subsistence.

Trustee indemnity insurance was purchased by the charity on behalf of the Trustee. The sum insured was £5m in both 2023 and 2024. The cost of the policy was £5,285 (2023: £5,285).

Other transactions with related parties are summarised as follows:

		Payments made	
		2024	2023
Related party	**Nature of relationship**	**£**	**£**
Bath Business Improvement District	Mrs C Bee is a Director	5,669	-
Twerton Infant School	Mr D Hobdey is a Governor	980	39,830
Bath and North East Somerset Third Sector Group CIO	Mr R Driver is a Trustee	28,973	1,060
Bath Unlimited	Mr D Hobdey is a Director	14,340	-

In 2024, the Charity held money as agent on behalf of Bath Unlimited, a community interest initative in which Mr D Hobdey is a director. A total of £nil was received during the year, with a balance remaining of £nil at 31 December 2024 (2023: £9,340).

There were no transactions with the Trustee or other related parties during the year, other than those disclosed above (2023: none). No balances were outstanding to or from related parties at the year-end (2023: none).

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Notes to the Financial Statements

10. Intangible assets

Consolidated and charity	Consolidated 2024 £'000	Charity 2024 £'000
Cost		
At 1 January 2024	148	127
Additions	2	2
Disposals	-	-
At 31 December 2024	150	129
Accumulated amortisation		
At 1 January 2024	118	104
Charge	14	8
Eliminated on disposal	-	-
At 31 December 2024	132	112
Net book value		
At 31 December 2024	18	17
At 31 December 2023	30	23

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Notes to the Financial Statements

11. Tangible assets - freehold property

Consolidated	City centre almshouses £'000	Combe Park almshouse £'000	New almshouse £'000	Operational properties £'000	Chapels £'000	Total £'000
Cost/valuation						
At 1 January 2024	7,998	3,749	52	2,891	1,673	16,363
Additions	12	125	40	6	-	183
Disposals	-	-	-	-	-	-
At 31 December 2024	8,010	3,874	92	2,897	1,673	16,546
Accumulated depreciation						
At 1 January 2024	3,949	369	-	249	166	4,733
Charge for the year	46	38	-	29	17	130
At 31 December 2024	3,995	407	-	278	183	4,863
Net book value						
At 31 December 2024	4,015	3,467	92	2,619	1,490	11,683
At 31 December 2023	4,049	3,380	52	2,642	1,507	11,630

Charity	City centre almshouses £'000	Combe Park almshouse £'000	New almshouse £'000	Operational properties £'000	Chapels £'000	Total £'000
Cost/valuation						
At 1 January 2024	8,009	3,749	52	2,891	1,673	16,374
Additions	12	125	40	6	-	183
Disposals	-	-	-	-	-	-
At 31 December 2024	8,021	3,874	92	2,897	1,673	16,557
Accumulated depreciation						
At 1 January 2024	3,948	369	-	249	166	4,732
Charge for the year	46	38	-	29	17	130
At 31 December 2024	3,994	407	-	278	183	4,862
Net book value						
At 31 December 2024	4,027	3,467	92	2,619	1,490	11,695
At 31 December 2023	4,061	3,380	52	2,642	1,507	11,642

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Notes to the Financial Statements

12. Other tangible fixed assets

Consolidated	Office equipment £'000	Fixtures and fittings £'000	Computer systems £'000	Total £'000
Cost				
At 1 January 2024	28	1,036	79	1,143
Additions	-	92	19	111
Disposals	-	-	-	-
At 31 December 2024	28	1,128	98	1,254
Accumulated depreciation				
At 1 January 2024	28	541	35	604
Charge for the year	-	83	12	95
Eliminated on disposal	-	-	-	-
At 31 December 2024	28	624	47	699
Net book value				
At 31 December 2024	-	504	51	555
At 31 December 2023	-	495	44	539

Charity	Office equipment £'000	Fixtures and fittings £'000	Computer systems £'000	Total £'000
Cost				
At 1 January 2024	28	789	63	880
Additions	-	61	11	72
Disposals	-	-	-	-
At 31 December 2024	28	850	74	952
Accumulated depreciation				
At 1 January 2024	28	453	26	507
Charge for the year	-	36	8	44
Eliminated on disposal	-	-	-	-
At 31 December 2024	28	489	34	551
Net book value				
At 31 December 2024	-	361	40	401
At 31 December 2023	-	336	37	373

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Notes to the Financial Statements

13. Financial and property investments

Consolidated	Investment property £'000	Listed investments £'000	Total £'000
Market value at 1 January 2024	51,749	53,341	105,090
Additions to investments at cost	-	23,001	23,001
Disposal proceeds net of transaction costs	(5,791)	(20,244)	(26,035)
(Losses) / Gains	(2,446)	4,267	1,821
Movement in cash held by brokers for reinvestment	-	6	6
Market value at 31 December 2024	43,512	60,371	103,883

All investments are carried at their fair value. Investments in equities and fixed interest securities are all traded on public markets. The fair value for quoted investments is the market value, using the bid price. The charity's commercial investment properties were re-valued by Jones Lang LaSalle Limited, Chartered Surveyors, on the basis of discounted cash flow at 31 December 2024. The value of the residential properties is based on the revaluation of the portfolio by Jones Lang LaSalle Limited on a market value basis as at 31 December 2024.

Social investments also form part of the charity's investments (note 14).

Charity	Trading subsidiary £'000	Investment property £'000	Listed investments £'000	Total £'000
Market value at 1 January 2024	50	51,749	53,341	105,140
Additions to investments at cost	-	-	23,001	23,001
Disposal proceeds	-	(5,791)	(20,244)	(26,035)
Gains / (losses)	-	(2,446)	4,267	1,821
Movement in cash held by brokers for reinvestment	-	-	6	6
Market value at 31 December 2024	50	43,512	60,371	103,933

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Notes to the Financial Statements

13. Financial and property investments (continued)

The charity owns the entire share capital of St John's Hospital Trading Company Ltd, a company incorporated in England and Wales - company registration number 08632453. The share capital of St John's Hospital Trading Company Ltd comprises 50,000 ordinary shares of £1, which are all wholly owned by the charity. The principal activities of St John's Hospital Trading Company Ltd are to manage serviced apartments and coworking space.

The trading results of the subsidiary were as follows:	**2024 £'000**	**2023 £'000**
Turnover	916	805
Cost of sales	-	-
Gross profit	916	805
Administrative expenses	(41)	(57)
Operational expenses	(977)	(759)
Other income	-	-
Operating (loss)	(102)	(11)
Interest payable	(45)	(43)
(Loss) before tax	(147)	(54)
Taxation	-	-
(Loss) after tax	(147)	(54)

The aggregate of the assets, liabilities and funds as at 31 December was:	**2024 £'000**	**2023 £'000**
Total assets	485	608
Total liabilities	(1,104)	(1,079)
Shareholders' funds	(619)	(471)

The charity also owns the entire share capital of St John's Hospital Design and Build Ltd, a company incorporated in England and Wales - company registration number 15213021. The share capital of St John's Hospital Design and Build Ltd comprises 1 ordinary share of £1, which is wholly owned by the charity. This company has not traded and is currently dormant but was established to act as a design and build company for the future construction projects and so may trade in the future.

14. Social investments

Consolidated and charity	**2024 £'000**	**2023 £'000**
Mixed motive investments:		
Receivable in more than one year	63	68
Receivable in less than one year	5	-
	68	68

The mixed motive investment above represents a loan issued on 1st December 2023 to a single party. This loan replaced two concessionary loans to that same single party drawn down together on 28th October 2015. Each of the loans is secured by a legal charge over freehold property and charged interest at a rate of 4%.

At the year end there were no amounts committed but undrawn (2023: nil), and no amounts that had been approved subject to the agreement of terms (2023: nil).

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Notes to the Financial Statements

15. Debtors

	2024 £'000	2023 £'000
Consolidated		
Trade debtors	411	258
Prepayments and accrued income	761	869
Other debtors	8	7
	1,180	1,134
Charity		
Trade debtors	259	216
Prepayments and accrued income	728	796
Other debtors	8	7
Amounts owed by subsidiary	950	1,040
	1,945	2,059

Included within consolidated prepayments and accrued income are lease incentive adjustments of £309,000 (2023: £294,000), of which £266,000 are due in more than one year (2023: £257,000). Within amounts owed by the subsidiary is £455,000 of a loan (2023: £475,000) and £nil of interest accruing against this (2023: £8,000). The loan agreement was entered on an arms length basis at a market rate of interest (4.2% above base) and the Charity has taken a charge over the assets of the trading company as security. The loan agreement provides for up to £480,000 to be drawdown on loan which is repayable in equal instalments over 8 years from September 2022. Repayments of £20,000 were made in the year but the remaining loan repayments have been deferred. At the year end £275,000 of the loan was due in more than one year. Also included within amounts owed to subsidiary are prepayments and accrued income of £71,000 (2023: £72,000 reclassified from prepayments and accrued income). Offsetting trade debtors is a bad debt provision of £86,000 (2023: £154,000).

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Notes to the Financial Statements

16a. Creditors: amounts falling due within one year

	2024	2023
Consolidated	**£'000**	**£'000**
Bank overdrafts	2,045	2,038
Loans repayable upon demand	343	173
Trade creditors	277	370
Accruals and deferred income	546	467
Taxation and social security	72	118
Other creditors	87	118
	3,370	3,284

Charity	**£'000**	**£'000**
Bank overdrafts	2,045	2,038
Loans repayable upon demand	343	173
Trade creditors	197	359
Accruals and deferred income	508	469
Taxation and social security	72	124
Other creditors	51	86
	3,216	3,249

The bank overdrafts are repayable on demand and reviewed annually and relate to two facilities. One is a facility of up to £3m secured against those investment assets of the Charity managed by Evelyn Partners. These assets were valued at £31.366m at the year end with borrowing against this of £2.045m at 31 December (2023: £2.038m). The second overdraft facility of up to £1.5m was not in use at year end (2023: £1.5m) but was available for use and is secured against investment properties valued at £12.48m as at 31 December 2024. The loans repayable on demand are amounts due to lifetime leasehold tenants for their leases which is repayable when the properties are vacated.
Included within other creditors is £24,000 (2023: £29,000) representing the amount held as agent for a small unincorporated voluntary organisation called Bath Women's Fund and £nil (2023: £9,360) for Bath Unlimited for which St John's Foundation has agreed to administer funds and act as an agent.

Deferred income movement:

	Charity	Group
	£'000	**£'000**
Balance at 1 January 2024	300	251
Amount released in the year	(1,353)	(1,148)
Amount deferred in the year	1,368	1,165
Balance at 31 December 2024	315	268

Deferred income is made up of rental income received in advance of the accounting period to which it relates.

16b. Creditors: amounts falling due after more than one year

	2024	2023
Consolidated and charity	**£'000**	**£'000**
Loans repayable upon demand	1,372	1,560

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Notes to the Financial Statements

17a. Invested endowment fund

The permanent invested endowment fund represents the funds of the charity derived from gifts and legacies received since its foundation. It is to be held and maintained in perpetuity. Investment income and surpluses or deficits arising on the sale or revaluation of investment properties and investments are transferred to the permanent endowment fund. Expenses incurred in the administration or protection of the endowment investments are charged to the fund. From 1st January 2013, the Trustee has adopted the use of total return accounting in relation to its investment.

Total return investment

The investment power of total return was granted by the Charity Commission on 25th September 2012. The power permits the Trustee to invest permanent endowments to maximise total return and to make available an appropriate portion of the total return for expenditure each year. Until this power is exercised in full, that portion of the total return which is in excess of the amount required to preserve the value of the permanent endowment, shall be an 'unapplied total return' and remain as part of the permanent endowment. The Trustee has used the indexed values of the permanent endowment at 1st January 1995 to represent the 'preserved value' of the original gift.

Under specific powers in the governing Scheme, the Trustee monitors the investment performance in terms of maintaining the purchasing power of the core endowment against inflation, while enabling the charity to commit to a long-term spending rate of 4% of the three-year average value of the permanent endowment.

The amounts set as opening unapplied return, together with the amount allocated to income in the year from the unapplied total return, and the amount of unapplied total return allocated to capital in the reporting period (in order to maintain the real value of the original gift) are disclosed below.

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St John's Foundation Est. 1174
Year ended 31 December 2024

Notes to the Financial Statements

17a. Invested endowment fund (continued)

Consolidated	Permanent endowment fund	Unapplied total return	Total
	£'000	£'000	£'000
At 1 January 2023	50,145	47,213	97,358
Movements in the reporting period:			
Investment income	-	3,892	3,892
Realised and unrealised gains	-	3,430	3,430
Less: property operational and investment management costs	-	(187)	(187)
Total return for the year	-	7,135	7,135
Unapplied total return allocated to income	-	(4,500)	(4,500)
CPI Uplift	2,006	(2,006)	-
	2,006	629	2,635
At 1 January 2024	52,151	47,842	99,993
Movements in the reporting period:			
Investment income	-	3,512	3,512
Realised and unrealised losses	-	1,818	1,818
Less: property operational and investment management costs	-	(314)	(314)
Total return for the year	-	5,016	5,016
Unapplied total return allocated to income	-	(5,430)	(5,430)
CPI uplift	1,356	(1,356)	-
	1,356	(1,770)	(414)
At 31 December 2024	53,507	46,072	99,579

The above figures exclude the functional endowment fund (note 17b) and the Roxburgh endowment fund (note 18).

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Notes to the Financial Statements

17a. Invested endowment fund (continued)

Charity	Permanent endowment fund	Unapplied total return	Total
	£'000	£'000	£'000
At 1 January 2023	50,145	47,650	97,795
Movements in the reporting period:			
Investment income	-	3,999	3,999
Realised and unrealised gains	-	3,428	3,428
Less: property operational and investment management costs	-	(187)	(187)
Total return for the year	-	7,240	7,240
Unapplied total return allocated to income	-	(4,500)	(4,500)
CPI uplift	2,006	(2,006)	-
	2,006	734	2,740
At 1 January 2024	52,151	48,384	100,535
Movements in the reporting period:			
Investment income	-	3,734	3,734
Realised and unrealised losses	-	1,816	1,816
Less: property operational and investment management costs	-	(314)	(314)
Total return for the year	-	5,236	5,236
Unapplied total return allocated to income	-	(5,430)	(5,430)
CPI uplift	1,356	(1,356)	-
	1,356	(1,550)	(194)
At 31 December 2024	53,507	46,834	100,341

The above figures exclude the functional endowment fund (note 17b) and the Roxburgh endowment fund (note 18).

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Notes to the Financial Statements

17b. Functional endowment fund

The functional endowment is that part of the endowment which is held for operational, rather than investment purposes, and is therefore not included in total return calculations. The assets which make up the functional endowment are those which were almshouses at the time the 2012 Scheme was approved (Chapel House, Fitzjocelyn / John Wood House, Rosenberg House, Chandos House, Combe Park), and Magdalen Chapel. The functional endowment also includes £1.833m (2023: £1.873m) set aside for future almshouse provision under the 2017 Scheme when the change of use of Chandos and St Catherine's was approved.

Charity & Consolidated	**2024 £'000**	**2023 £'000**
Balance brought forward	12,192	12,306
(Deficit)	(114)	(114)
Transfers	137	-
Balance carried forward	12,215	12,192

18. Roxburgh endowment fund

Consolidated and charity	**2024 £'000**	**2023 £'000**
Balance brought forward	129	132
Valuation gains / (losses)	3	(3)
Balance carried forward	132	129

The Roxburgh permanent endowment fund has been shown separately in these notes as, unlike the rest of the charity's endowed funds, the income from this fund has a restricted purpose: to provide relief for single woman over the age of 50 in the Bath area.

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Notes to the Financial Statements

19. Unrestricted fund

The unrestricted fund is the retained annual surplus of investment income over the deficit on the provision of almshouse accommodation, the cost of grants and community outreach activities. Surpluses are available at the discretion of the Trustee for maintenance of the permanent endowment and other purposes to achieve the charitable objectives of the charity.

	2024	2023
Consolidated	**£'000**	**£'000**
Operating result	(4,652)	(4,665)
Total return transfer from permanent endowment fund	5,430	4,500
Transfer of functionally endowed asset additions	(137)	-
Net movement in the year	641	(165)
Balance brought forward	2,406	2,571
Balance carried forward	3,047	2,406
Charity		
Operating result	(4,717)	(4,716)
Total return transfer from permanent endowment fund	5,430	4,500
Transfer of functionally endowed asset additions	(137)	-
Net movement in the year	576	(216)
Balance brought forward	2,402	2,618
Balance carried forward	2,978	2,402

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Notes to the Financial Statements

20. Restricted funds

Consolidated and charity (as at 31 December 2024)	Joseph Matthews Foundation £'000	Roxburgh £'000	Other one off restricted funds £'000	Total £'000
Balance brought forward	10	18	1	29
Income	-	8		8
Expenditure	(10)	(10)	(1)	(21)
Balance carried forward	-	16	-	16

Consolidated and charity (as at 31 December 2023)	Joseph Matthews Foundation £'000	Roxburgh £'000	Feeding Britain £'000	Infection Control Fund £'000	Total £'000
Balance brought forward	23	14	1	-	38
Income	-	8	1	26	35
Expenditure	(13)	(4)	(1)	(26)	(44)
Balance carried forward	10	18	1	-	29

Roxburgh
The restricted fund for Roxburgh relates to net income received from the Roxburgh endowment (see Note 18 above)

Joseph Matthews Foundation
A restricted legacy was provided to the charity to support St John's in community outreach activities for those in Bath over 75 years of age.

Other one off restricted funds
During the year the charity received donations for specific resident meals and activities which were spent in year. These totalled less that £1,000.

21. Transfers

	Invested endowment fund £'000	Functional endowment fund £'000	Unrestricted fund £'000
Transfer of unapplied total return to income	(5,430)		5,430
Transfer of additions to functionally endowed properties		137	(137)

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Notes to the Financial Statements

22. Analysis of net assets between funds

Consolidated As at 31 December 2024	Invested endowment fund £'000	Functional endowment fund £'000	Roxburgh endowment fund £'000	Restricted fund £'000	Unrestricted fund £'000	Total £'000
Tangible fixed assets	-	10,382	-	-	1,856	12,238
Intangible fixed assets	-	-	-	-	18	18
Investments	99,511		132	-	4,240	103,883
Social investments	68	-	-	-	-	68
Cash and bank balances	-	1,833	-	16	495	2,344
Other current assets and liabilities	-	-	-	-	(3,562)	(3,562)
	99,579	12,215	132	16	3,047	114,989

Consolidated As at 31 December 2023	Invested endowment fund £'000	Functional endowment fund £'000	Roxburgh endowment fund £'000	Restricted fund £'000	Unrestricted fund £'000	Total £'000
Tangible fixed assets	-	10,319	-	-	1,850	12,169
Intangible fixed assets	-	-	-	-	30	30
Investments	99,925		129	-	5,035	105,090
Social investments	68	-	-	-	-	68
Cash and bank balances	-	1,873	-	29	(800)	1,102
Other current assets and liabilities	-	-	-	-	(3,710)	(3,710)
	99,993	12,192	129	29	2,406	114,749

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Notes to the Financial Statements

23. Charitable and capital commitment:

Capital expenditure commitments:	2024	2023
	£'000	£'000
Legal commitment to build almshouses	1,833	1,873
	1,833	1,873

The legal commitment with the Charity Commission to build almshouses is also reflected in the functional endowment fund (note 17b).

The charity acts as lessor for its commercial and residential investment property portfolios and is contractually entitled to receive future income. The future minimum lease payments under non-cancellable operating leases expected to be received by the charity and Group are due as follows.
In the prior year financial statements, lease commitments were not consolidated. The note below has been restated to reflect consolidated numbers (excluding rent due from the Charity's Trading subsidiary to the Charity). No other figures in these financial statements are impacted.

	2024	2023 restated
	£'000	£'000
Within one year	1,266	1,377
Between one and five years	3,564	3,229
After five years	16,556	12,265

The charity leases parking spaces for staff using the head office. The future minimum lease payments under non-cancellable operating leases by the charity and Group are due as follows:

	2024	2023
	£'000	£'000
Within one year	5	34
Between one and five years	0	5

At the year end the charity had the following conditional grant-making commitments:

Within one year	923	1,164
Between one and five years	317	50

24. Pensions

The charity operates a defined contribution scheme for the benefit of the employees. During the year £148,000 (2023: £149,000) was payable into the defined contribution scheme. The amount due at the year end was £17,000 (2023: £18,000). Included within 'pension costs' in note 8 are pension scheme management fees payable of £14,000 (2023: £14,000).

ST. JOHN'S FOUNDATION EST. 1174

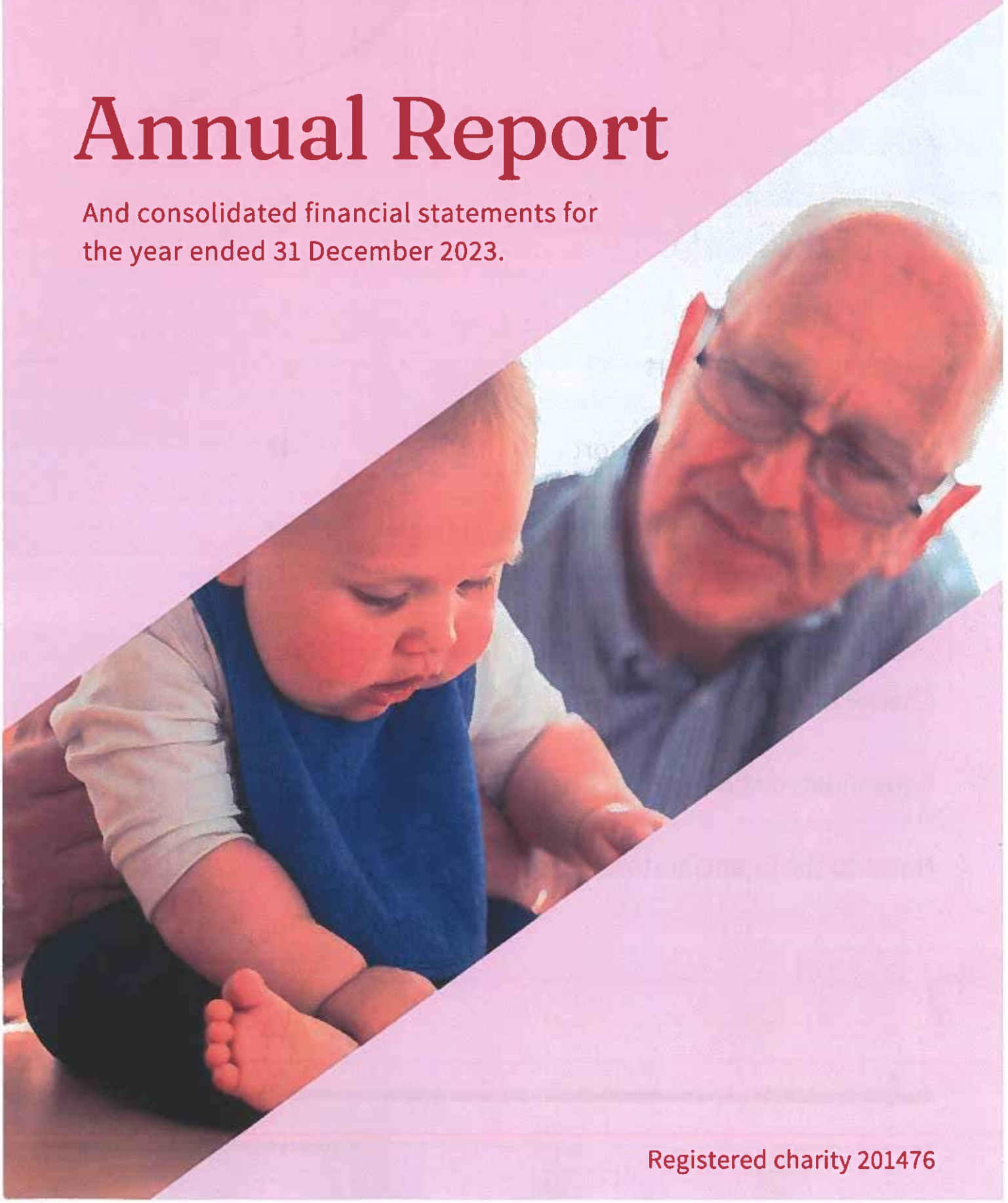
England & Wales - Charity number 201476

Accounts

ST JOHN'S FOUNDATION EST. 1174

Annual Report

And consolidated financial statements for the year ended 31 December 2023.



Registered charity 201476

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TRUSTEES' ANNUAL REPORT

The Trustees present their annual report and consolidated financial statements. This includes the financial results of St John's Foundation Est. 1174 ('St John's' or 'the Charity') and its subsidiary, St John's Hospital Trading Company Ltd for the year ended 31 December 2023. This report is prepared in line with the Charities Act 2011 and SORP (FRS 102).

For 850 years, St John's Foundation has been changing people's lives, for good with the Charity's objects being to provide almshouse accommodation and relief to those who are in need by reason of age, ill-health, disability, financial hardship or other disadvantage within Bath and the surrounding area.

In 2020, we launched our Foundation Fund to ensure that every child under 12 has the chance to grow up as a healthy, happy, and educated member of our community. We work to provide children the support they need to lead fulfilling, independent lives beyond school and into older age. We are determined to narrow the primary school educational attainment gap, which is particularly acute in our area. This is to ensure that underserved children in the local area can get the best start in life and we have started to refer to this programme as 'Best Start in Life' rather than the Foundation Fund as we feel it better reflects its ambition.

Alongside this, we continue our long-standing work providing older people with housing and outreach services. With older adults now outnumbering younger people in our region, it's more important than ever that we foster an age-friendly community, promoting independent living for longer.

Our city and the neighbourhoods around it are beautiful and age-old. However, divisions and inequalities are concealed behind the veneer of Bath stone and rural beauty. This is why, through our Crisis Programme, we provide relief for those who have reached a point of financial crisis in their life and need support.

We are continuously working to address the challenges our community faces, forging connections with like-minded charities and donors for their specific knowledge and expertise, as well as their ability to help implement our initiatives and programmes to support positive social change.



CHARITABLE DELIVERY AND IMPACT

Through our charitable delivery, we help under-served younger people, mature adults and those in crisis. We believe in helping to shape a much kinder and more caring community, where everybody, irrespective of age or social environment, has the opportunity to thrive and lead fulfilling lives.

The Good Living Service

Almshouses

Almshouses actively work to create an environment that empowers residents to make their own choices and live life on their own terms. With the appropriate support provided by St John's, our residents can maintain their independence for longer, enhancing their overall well-being and quality of life. In 2023, 108 residents lived in St John's almshouses.

St John's almshouses are more than just a refuge for older people, they are the basis of a thriving community, that through a variety of means, provide support and friendship. Made up of people from a range of backgrounds and walks of life, our residents enjoy each other's company and culture, whilst maintaining and sharing their own individuality.

The almshouses themselves are a unique tapestry of each resident's personality. Beautifully decorated and representative of the experiences and journeys that our residents have encountered throughout their lives, the apartments play a large part in cementing our residents place within our community, whilst helping them to feel safe, secure and supported.

Advice Service

The advice service offered by the Good Living team encompasses a range of support options, ranging from direct help, to signposting to specialist services. The advice service offers help with admin tasks such as signing up for, and understanding pension credits and housing benefits, as well as supporting with health needs and ensuring residents can access the right support they need.

The service goes further than just our residents and provides the families of people living in our almshouses support and advice when required. The Good Living team take pride in being reactive to the needs of the people we work with and offer creative solutions for a wealth of situations. The Good Living team recognise that sometimes, when older people's needs change, their families may not be aware of the best route of support and in response, they ensure that the best advisory service is available and can offer support and reassurance for those who may be experiencing difficulties as they or their relatives age.

In 2023, we gave advice and signposting to 293 older adults.

Activities

The activities programme, run by the Good Living Service aims to provide residents from within our almshouse community, and adults over 55 in the wider BaNES community, a comprehensive programme of activities designed to enrich wellbeing, build confidence and encourage connections in daily life. The classes offer activities that engage both the body and the mind, whilst bringing together older adults from within the community.

The Good Living service ran 71 active learning classes in 2022. These classes were attended by over 372 older adults from across Bath and North East Somerset, which equated to 7,269 attendances across the year. 49 of our 102 residents attend activities within our programme. Of the 17 different activities we provide, 14 of these are full. Ballet, Pilates and Stitch continue to be our most popular, with the Good Living Service providing increased sessions for Pilates and Ballet.

Use of our Space

Through our provision of space on site, we are currently supporting various charities in Bath and North East Somerset, offering them use of both The Bubble and Combe Park free of charge. In 2023, 9 charities used our space, with 372 people attending these sessions throughout the year.

These 9 charities include: Bath Mind, Bath Welcomes Refugees, Bath Macular Society, Stillwaters Group , Mencap, Bath Diabetes Group, Alzheimer's Society, Bath Climate Hub and Rice Clinic.

Ageing Well Bath & North East Somerset

Towards the end of 2023, St John's jointly funded the Age Friendly Bath & North East Somerset programme. This collaborative programme with Age UK Bath is designed to drive change in the region to improve the lives of older people. It aims to establish a World Health Organisation accredited age friendly community and with this, strengthen compassionate and healthy communities locally. The programme's first aim is to gather intelligence to inform the Health and Wellbeing board and ensure older people's needs and views are listened to when decisions are made.

As well as an Ageing Well Forum and a steering group, the programme will also collaborate with the existing Ageing Well Network, facilitated by Bath and North East Somerset's Third Sector Group (3SG). The network has so far welcomed 100 participants from 35 organisations supporting older adults.

Partnership Working

Pets As Therapy (PAT): The Good Living team partner with Pets As Therapy to provide support-animal visits to our residents. The service supports residents in both their health and wellbeing by providing access to the companionship of an animal to people who may be suffering from health issues or experiencing isolation due to circumstances beyond their control. Currently, PAT volunteers visit on a weekly basis.

Active Ageing: The team have been working alongside the University of Bath on a bid for funding for two Active Ageing projects. If successful, these projects will enable the university to work with our alms-residents to develop strategies for older people to live independently for longer.

Connecting Generations: Working with Connecting Generations, students from the University of Bath offer free technology support to our alms-residents, who are encouraged to bring their phones, iPads, laptops and devices for impartial help and advice. This has been a successful endeavour with residents and students enjoying the opportunity to socialise with each other.

Best Start in Life (formerly known as The Foundation Fund)

Academic attainment levels have, historically, been lower among children from under-served backgrounds for a variety of complex reasons. The gap between the highest and lowest achieving pupils has been exacerbated over recent years by the pandemic, schools have faced a challenging task to narrow this disparity back down to pre-COVID levels. The impact of the cost-of-living crisis on families has further deepened the complexity of this challenge.

Before the pandemic struck, in February 2020, St John's Foundation launched an ambitious ten-year strategy and pledge to support under-served children through interventions within our Foundation Fund. The aim of our fund is to narrow the attainment gap for Key Stage 2 children living in Bath and North East Somerset (BaNES) through a broad range of initiatives. This crucial work will best support children aged 0 to 12 and level out the opportunities for them to thrive.

Supporting 0-4 years

Early Nurture Service
The number of children with mental health concerns across Bath and North East Somerset is increasing year on year.

Our Early Nurture Service is tackling this growing issue by providing support to nurseries and pre-schools so they can identify and assess children experiencing social, emotional and mental health (SEMH) issues. Using an accredited SEMH assessment, children are supported through their early years settings and into primary school.

In 2023, we provided support to 146 children across six early years settings through the programme. Additionally, the team conducted training sessions for 16 early years practitioners, empowering them with the skills necessary to effectively support children.

Perinatal and Emotional Wellbeing Partnership
Becoming a new parent can be challenging and overwhelming. St John's works alongside local services to care for the mental health of new parents, providing a comprehensive approach to address the emotional wellbeing of those navigating parenthood.
Working together with local partners, in 2023 St John's supported 22 new mothers with 90% of them showing considerable improvement in their mental health.

Language for Life

Evidence shows the importance of speech and language development in young children, it is fundamental to their ability to learn. As they learn, it is also crucial for children to get help to develop their communication skills so they are able to manage their emotions and behaviours. However, under-served children often arrive at school with lower speech and language ability than their peers, leading to an early language gap.

Language for Life is a speech and language programme supporting nursery-age children to improve their communication skills. Every child is assessed and a personalised plan is developed for those requiring support.

The hope is that more under-served children will begin their school life with the level of speech and language they need for a better chance of fulfilling a successful school experience.

At the start of the 2021/2022 academic year, 84 per cent of children assessed at participating settings were identified as needing extra support, including the majority of children in receipt of early years pupil premium (EYPP). By the end of the 2022/2023 year, this figure reduced to just 29 per cent.

Throughout 2023, 23 early year settings were involved in the pilot programme. Given the success of the programme, Language for Life is now being extended to an additional 45 settings.

Supporting 4-12 years

As part of our ten-year strategy, St John's launched the Primary Empowerment Programme (PEP). The programme provides additional support with reading, writing, mathematics and oracy as well as emotional and behavioural support. The programme supports 1,657 children within seven primary schools in BaNES which, together, teach 40% of the region's most under-served children. Close collaboration with the respective head teachers has helped to shape the programme and direct its focus to where the support would be most beneficial to each school.

At the end of the 2022/23 school year, the PEP completed its second year and initial data indicates a clear movement towards more children meeting expected academic levels for their year group. However, the initiative is not just about hard figures. The wide range of support offered is making a tangible difference to many pupils' self-confidence and wellbeing, as well as positive knock-on effects this has on their teachers, school communities and parents.

Most powerfully, the anecdotal evidence so far has been overwhelmingly positive. Feedback from head teachers often focuses on the difficulty of quantifying the impact of the PEP's various support streams, as it continues to be so wide-ranging. One head teacher says that the PEP "has enabled our school to proactively support our children in ways which we would have only been able to dream about without this funding", adding: "Children now read more books than two years ago and in KS2 they read on average for seven minutes longer each day. They become fluent readers earlier, are proud of their reading and love talking about it. I also feel that the broad range of consultation and training has helped us to move forward and recover much quicker following the pandemic."

Behavioural and emotional support

One key focus has been around behavioural and emotional support. In the wake of multiple lockdowns, the additional support for emotional and mental health (SEMH) needs, particularly for children with special educational needs and disabilities (SEND) has been overwhelming for many schools, with long waiting lists to receive any specialist support.

As part of the programme, the schools are receiving training, guidance and support from specialist providers, Brighter Futures. Funded by St John's, they help to improve learning and wellbeing outcomes for these children and equip the teachers with the tools they need to provide ongoing support. This has in many cases changed schools' approaches and culture in this area, with positive outcomes such as reduced numbers of suspensions.

The total cost of the Primary Empowerment Programme in 2023 was £734,046.

Supporting children and families

Safe places

Access to a safe place is a fundamental human right. When we established our Foundation Fund in 2020, we recognised that one of the issues families might face would be a shortage of places outside of school hours where they would feel safe and which would contribute to their general well-being.

Our definition of a 'Safe Place' is a place where children and their parents can go to engage with each other and have access to activities and support. Through accessing a safe place children and parents have the opportunity to engage with their community and feel a better sense of connection and belonging. They are often also able to access nutritious food to support their physical wellbeing.

In 2023, St John's published a map of all Safe Places across Bath and North East Somerset. The locations vary from sports clubs to community halls and churches with many organising activities for children to get involved with. This includes the Glasshouse Academy which St John's has funded on a five-year agreement (starting 2020) where children can go with the aim of raising their aspiration and opportunities. Other activities on the mapping support older adults and some Safe Places also have kitchens, which means food can be offered.

Nutritious Food

Every young person has the potential to do well at school. However, a lack of nutritious food can affect brain development. Many families whose children attend the seven Primary Empowerment Programme schools struggle financially but are not eligible for free school meals.

St John's funds school meals for children who are not entitled to free school meals so they can have a hot lunch each day. With proven links between nutritious food and academic achievement this, in turn, benefits children's brain development and their ability to concentrate and learn. As well as supporting children's academic achievements, these measures impact the wider class and teachers, by reducing disruptive behaviour caused by hunger. The initiative also provides support to parents who are struggling to feed their families in these economically challenging times by supporting their financial and mental wellbeing.

In 2023, St John's provided 49,242 free school meals for 406 children across six schools.

Big Education

St John's partnered with Bath and North East Somerset Council to embark on a joint project to support schools across the region with the persistent attainment gap. The aim of this project is to improve educational outcomes for under-served pupils.

Big Education, an organisation with extensive experience in working with education providers to effect change, was successfully appointed as project lead. The venture will see Big Education analyse local needs and data for different approaches adopted by schools across the region. This will help formulate a new strategy to deliver the best outcomes for under-served pupils across the region.

A joint report detailing findings on the disadvantage gap in Bath and North East Somerset was published in May 2023.

Big Education have subsequently worked with school leaders to research practices under the areas of parental engagement; behaviour and self-regulation and aspiration. It is hoped that schools will be able to implement new ways of supporting children in these areas.

The programme will run until the end of the 2024/25 academic year, with findings being shared with local and national stakeholders.

Crisis Programme

In 2023, St John's received 490 applications to our Crisis Programme. 332 of these were approved and a total of £203,000 was awarded. Of these applications, 170 supported single people, 115 were to support families who had children under the age of 12 years old and the remaining 47 were for families with children over 12 years old, or couples without dependents.

The total number of applications remained below the levels seen prior to the pandemic, largely due to Bath & North-East Somerset Council's Welfare Support Scheme continuing to have a significantly-increased budget from the Government's "Household Support Fund" in response to the cost-of-living crisis. However, the number of applications remained consistent throughout the year with sustained demand for help and the HSF is expected to come to an end in October 2024.

Project funding

Debt continues to be a big problem for under-served households in BaNES and nationally and St John's has funded debt advisory services at Citizen's Advice Bath & North East Somerset. Since December 2021, the team have worked with local residents to support them with clearing debt and obtaining benefits or other funding, to the value of over £1m.

The funding has been agreed for an additional three years, running until 2026.

In 2022, funding totalling £30,000 was awarded to Curo's pilot furnished tenancy programme – Cosy Start. This programme has supported 16 households over the two years by providing them with fully furnished properties.

Rent arrears among these households is currently at 0%, this contrasts with the average of 18% of new universal credit tenancies going into rent arrears. The feedback from the Cosy Start beneficiaries has been extremely positive and plans are in place to expand the programme in 2024.

Property and investments

When St John's launched its current strategy in February 2020, a strategic asset review was undertaken to assess the investment portfolio allocation. This concluded that the Charity should reduce its reliance on property investments.

This will enable St John's to re-invest the funds in other classes of investment assets. It will help achieve a more balanced mix of investments and therefore generate the income St John's requires to continue implementing its ambitious programme of charitable activities, as well as maintaining the financial health of the Charity for future generations.

In 2023, the Charity sold ten properties worth £11.503m at a profit of £1.191m and continued its programme of marketing selected properties for sale – this process will continue over the next few years.



PLANS FOR THE FUTURE

Over the six years remaining of its current ten-year strategy, St John's will manage its investments to meet the aims of:

- Establishing, in collaboration with others, an age-friendly community across Bath and North East Somerset. This includes maintaining and growing our almshouse accommodation.
- Building communities where every child under 12 is supported to grow into a healthy, happy, and educated member of the community, courtesy of the Best Start in Life.
- Providing funding for individuals in crisis, courtesy of the Crisis Programme.

The length of St John's tenure is testament to the Charity's ability to move with the times and continue to deliver a wide range of services that address the changing needs of our community. St John's will continue to review the impact of our charitable arms and will continue to work with its partners to deliver our aims and shape future work.



The Trading Company is owned by the Charity. Revenue is generated by the Trading Company through the letting of serviced apartments at St Catherine's Hospital and the provision of serviced offices and event space at the House of St John's. The Trading Company aims to gift as much of its taxable profits to the Charity as possible. Ultimately, it aims to gift 100% of profits to the Charity although due to the need to repay set up costs and the time required to grow the business to its full potential, such gift aiding of profits is not expected in the next few years.

St Catherine's Hospital

Comprising 10 one-bedroom apartments, St Catherine's offers a truly tranquil sanctuary in the heart of Bath. Run by our dedicated commercial trading subsidiary, the holiday lets will generate funds that support our wide range of charitable work across Bath and North East Somerset.

People staying at St Catherine's are not only enjoying a lovely stay in Bath, they are also helping to fund positive change within the local community. It's a place to stay with a social purpose.

House of St John's

In 2019, the charity began an extensive renovation project of their Grade 1 listed property, 1 Queen Square. In February 2022, the Trading Company launched the House of St John's, offering a range of private offices, co-working lounges, dedicated desks, meeting rooms, and an event space.

After nearly two years of operation, in 2023, the team assessed the space to optimise layout and usage. With a significant portion of offices already sold, the focus shifted to meeting rooms as a key revenue driver, resulting in the repurposing of the first floor to just meeting rooms and events.

Due to high demand, the co-working offering was capped at 40 memberships to ensure optimal utilisation of space. Additionally, a more flexible membership model was introduced to accommodate member needs.

In September of that year, the dedicated desk capacity was expanded from 4 to 6, all of which have been sold. In 2023, the House also introduced a new product, a registered business address. This service provides clients with the use of its prestigious Bath address. This additional offering serves as a passive income generator for the House.

As the House of St John's charity partner, profits will be gifted to St John's and the focus is on developing a sustainable business which will lead to a long-term profit stream. This will take time as set up costs were high and the business has had to adapt to changing markets. However, business plans are in place to deliver the repayment of debts and provide future profits.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Legal structure



St John's Foundation Est. 1174 (the Charity) is controlled by a trustee company, St John's Hospital Trustee Limited (registration 08188066). The trustee company has a board of unpaid directors, who are effectively the trustees of the Charity.



The Charity is an unincorporated Charity registered in England and Wales (reference 201476). It is governed by a Charity Commission Scheme dated 25 September 2012 as amended on 8 February 2017 and by resolution dated 28 September 2017.



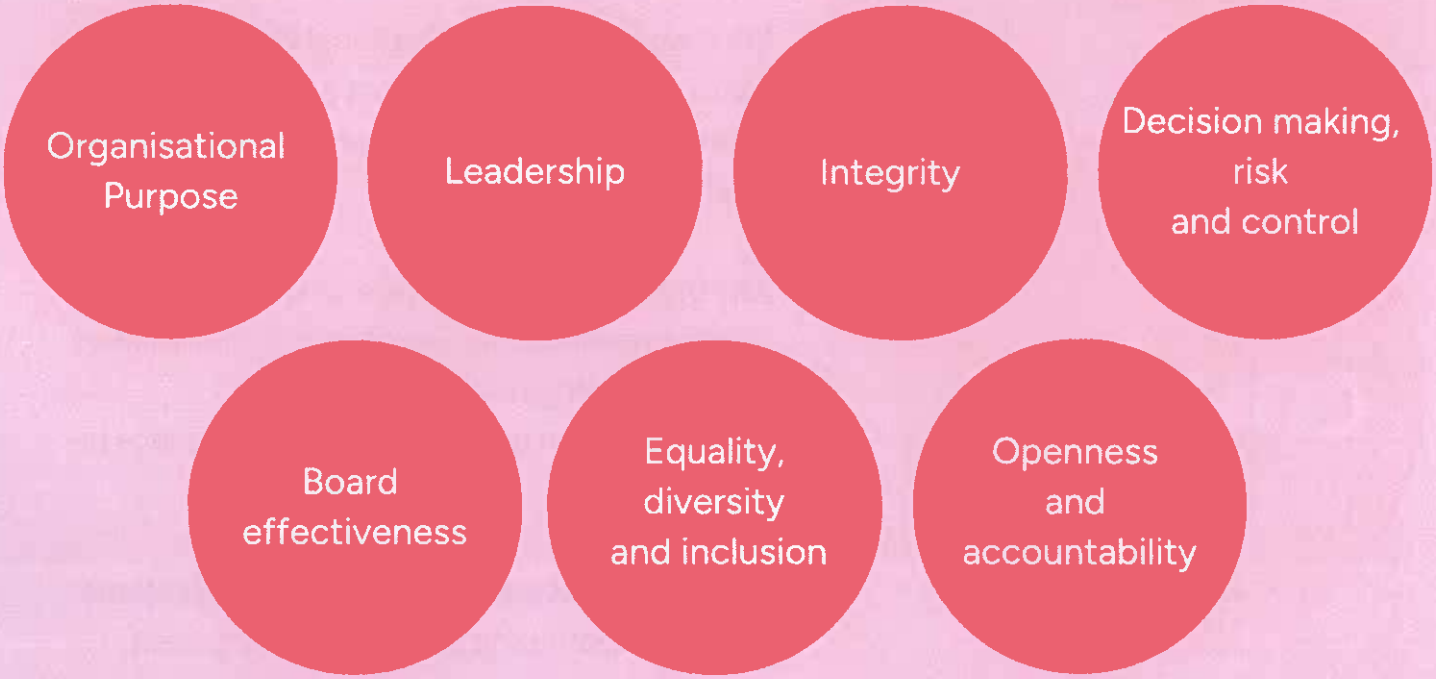
St John's Hospital Trading Company Ltd (registration 08632453) is the trading arm of the Charity and is a wholly owned subsidiary.

There is a second subsidiary company, wholly owned by the Charity - St John's Hospital Design and Build Ltd (registration 1523021). This is currently a dormant company.

GOVERNANCE

The Charity Governance Code

The Code (published in 2017 and reviewed in 2020) sets out seven principles of good governance, including:



The Trustees recognise that effective governance is essential in enabling the Charity to meet its aims and have reviewed the Charity's governance against the Code. The findings of this review were that St John's has an effective, well-governed board and that the new strategy underpins many elements that are fundamental to the spirit of the Code including transparency, collaboration and strategic drive. There were no significant concerns or risks identified as part of the review but in line with continuous improvement a list of recommendations has been adopted for implementation. All Trustees have signed a Code of Conduct based upon the Charity Governance Code. Our current governance arrangements are set out in the report.







HOW OUR VALUES SUPPORT EFFECTIVE GOVERNANCE

We embrace our organisational values of Courage, Kindness and Trust and apply these values to everything we do and in how we treat one another.

The breadth of St John's work necessitates a diverse workforce and each one of the Trustees and the employees help to make our organisation an uplifting and cohesive place to work.

We actively encourage the sharing of ideas and promote continuing personal development.



GOVERNANCE STRUCTURE

In line with the Articles of Association of St John's Hospital Trustee Limited ('the Articles'), the Board of Trustees must compromise between 10 and 14 members. Trustees are each appointed for a term of three years and may be re-appointed to serve for up to nine years.

Decision-making

The Board held four formal meetings and two development days during 2023 to determine strategy, approve financial plans and consider key policies. The Board has delegated authority for certain decisions to committees, which are made up of Trustees with relevant experience and/or qualifications. Professional advisors attend these committees when necessary to add their insight.

The Board and the Committees review their performance annually. This is carried out through discussion and has been supported using surveys to gain insight into trustee opinions on effectiveness. An appraisal of the Chair is conducted regularly by the Senior Independent trustee and one was undertaken in 2023. As one of the recommendations arising from the Corporate Governance Code review, the trustees are considering whether to undertake external evaluations of performance and how individual trustee performance will be reviewed in the future.

COMMITTEES

Committee	Purpose
Charitable Delivery and Impact (CDIC)	To assure the Board that there is an adequate system in place to measure strategic charitable delivery and impact of the organisation. While CDIC's primary function is assurance, its purpose also includes supporting continuous improvement in the way impact is measured and demonstrated.
Audit and Risk Committee (ARC)	To assure the Board that there is an adequate system of risk management in place for the activities of the Charity and which ensures effective delivery of all its services, including compliance with all relevant regulations that relate to the Charity's activities. This includes overseeing the accounts and audit process.
Investment Committee (INV)	To recommend the investment strategy for the Charity and to assure the Board that there is an adequate system of processes and controls in place to ensure all the Charity's investment portfolios, including the property portfolio are appropriately managed to deliver the agreed investment objectives.
Remuneration & Nominations Committee (REM)	To oversee the trustee appointment process and to ensure that St John's has effective remuneration, nomination and Board recruitment policies and procedures in place, which are fair and transparent, adhere to all relevant legislation and support the strategy, objectives and values of the Charity.

Committee membership, along with a list of professional advisors, is available in the 'Legal and administrative information' and 'Advisers section below.

The Trustees have delegated day-to-day management of the Charity to the Executive team and the employees of St John's.

Remuneration of the Executive Team

The Remuneration and Nominations committee is responsible for setting remuneration policies for the Executive team, based on individual contributions and the prevailing market. This includes the annual salary, contractual terms of employment and any severance arrangements.

For the Charity to meet its strategic goals, it must recruit and retain highly skilled employees. The salaries offered to the Executive team are competitive both locally and within the charitable sector. The Remuneration and Nominations committee, taking advice from the Chief Executive, determines the salaries of the rest of the Executive team. An over-riding factor in salary setting is always affordability in the context of the whole organisation's budget.

TRUSTEE RECRUITMENT AND TRAINING

The Remuneration and Nominations Committee determines the appointment procedures for new trustees including how the vacancies will be advertised. This is through social media and an external recruitment agency, this ensures the Charity can recruit trustees from diverse professional backgrounds. The Remuneration and Nominations Committee agree the terms and conditions of appointment and any interview process, which will involve a minimum of 2 existing trustees. It then nominates candidates for approval by the Board.

Once appointed new trustees are provided with training through an induction pack. This includes a trustee handbook which is reviewed and updated regularly and shared with all trustees. Further training may be offered where needs are identified. Throughout the year the Charity updates trustees using seminars and briefings. A formal training schedule was adopted 2022 and opportunities for continued professional development offered on a voluntary basis to the Board. In 2023, this continued with trustees feeding back on the skills they wish to focus on developing in future year. A budget exists to pay for trustees to attend individual, and skill based CPD events.

FUNDRAISING

Whilst over recent years, the Charity did not actively fund raise it did sometimes generate funds from the public through events. The primary purpose of these has not been fund-raising but awareness raising. In recognising the significant milestone of the Charity's 850th birthday in 2024, it was considered that there may be a wider number of people engaging with St John's who may wish to donate or raise funds for the Charity. Therefore, a fundraising page was set up on the Charity's website and the Charity registered with the Fundraising Regulator, committing to the Code of Fundraising Practice and the Fundraising Promise. QR codes and links to the fundraising page have been added to publications by the Charity and anyone approaching the charity wishing to donate or fundraise have been directed to the donate page. The donations are managed through Just Giving and allows relevant taxpayers to giftaid their donations. The page includes frequently asked questions which includes details on what to expect in relation to fundraising by St John's, the Code under which the Charity operates and the complaints process. During 2023, the Charity received zero complaints with regards to fundraising practices (2022 zero).

In 2023, some employees and members of the public sought sponsorship for events to raise funds for St John's Foundation. This is via donation pages, such as Just Giving. Due to the nature of these events no pressure is put on individuals to donate. There is very little perceived risk to vulnerable people or other members of the public in relation to fundraising. We never use an external partner to raise funds. The Trading Company is operated as a social enterprise to raise funds for the Charity.

Communications and actions taken in relation to using the Charity to promote for commercial advantage is compliant with the Charities (Protection and Social Investment) Act 2016, an Act with which the Charity is also compliant.

LEGAL AND ADMINISTRATIVE INFORMATION

Registered office:	4/5 Chapel Court, Bath, BA1 1SQ
Telephone:	01225 486400
Email:	info@stjohnsbath.org.uk
Website:	www.stjohnsbath.org.uk
Charity reference:	201476
Trustee:	St John's Hospital Trustee Limited (08188066)
Patron:	Her Majesty The Queen

OUR DIRECTORS

Directors of St John's Hospital Trustee Limited ('The Trustees') & Committee Membership

	CDIC	ARC	INV	REM	
Ben Fletcher (Chair)				●	Resigned: 23 Jul 2024
Ashley Ayre	●	●			Resigned: 6 Jun 2024
Jamal Benmiloud	●				Resigned: 30 Mar 2023
Catharine Brown					Appointed: 14 Dec 23, Resigned: 26 Jun 24
Moira Brennan		●		●	Retired: 28 Sept 2023
Richard Brown			●		
Rev Roger Driver		●			
Jeffrey Hayes	●		●		
Nicholas Hunt			●		Resigned: 30 Mar 2023
John Lakin (Vice Chair)	●			●	
Karen MacGregor	●	●			
Ken Scott			●	●	
Carole Stott	●			●	
Madeleine Musselwhite		●			Appointed: 28 Sept 2023
Lorraine Coward			●		Appointed: 14 Dec 2023
Eric Zwickel			●		Appointed: 14 Dec 2023

● Committee Chair ● Committee Member



Directors of St John's Hospital Trading Company Ltd.

Ashley Ayre	A Trustee of the Charity	Resigned 6 Jun 2024
Caroline Bee	Finance Director of the Charity	
Jamal Benmiloud	A Trustee of the Charity	Resigned 24 Mar 2023
Moira Brennan	A Trustee of the Charity (Chair)	Retired 28 Sept 2023
Louise Harvey	Executive Director of the Charity	Stood down 14 Dec 2023
David Hobdey	Chief Executive of the Charity	Stood down 14 Dec 2023
Karen MacGregor	A Trustee of the Charity	
Ken Scott	A Trustee of the Charity	
Catharine Brown	A Trustee of the Charity (Chair)	Appointed 14 Dec 2023, Resigned 15 Jul 2024
Laura Alexander	Commercial Director of the Charity	Appointed 14 Dec 2023

Executive Team

Catharine Brown	Interim Chief Executive (from 15 Jul 2024)
David Hobdey	Chief Executive (until 18 Jul 2024)
Louise Harvey	Executive Director of the Foundation Fund (until 28 Jun 2024)
Caroline Bee	Director of Finance
Laura Alexander	Commercial Director and Managing Director of St John's Hospital Trading Company (from 1 Jun 2023)

OUR PROFESSIONAL ADVISERS

External Auditor:
Crowe U.K. LLP 4th Floor, St James House, St James' Square, Cheltenham, GL50 3PR

Bankers:
Handelsbanken Plc 7 Henry St, Bath, BA1 1JR
Hampdens & Co Plc 9 Charlotte Square, Edinburgh, EH2 4DR

Solicitors:
Thrings LLP 2 Queen Square, Bath, BA1 2HQ
Stone King LLP Upper Borough Court, Upper Borough Walls, Bath BA1 1HJ
Moger Drewetts LLP, St James House, The Square, Lower Bristol Rd, Bath BA2 3BH

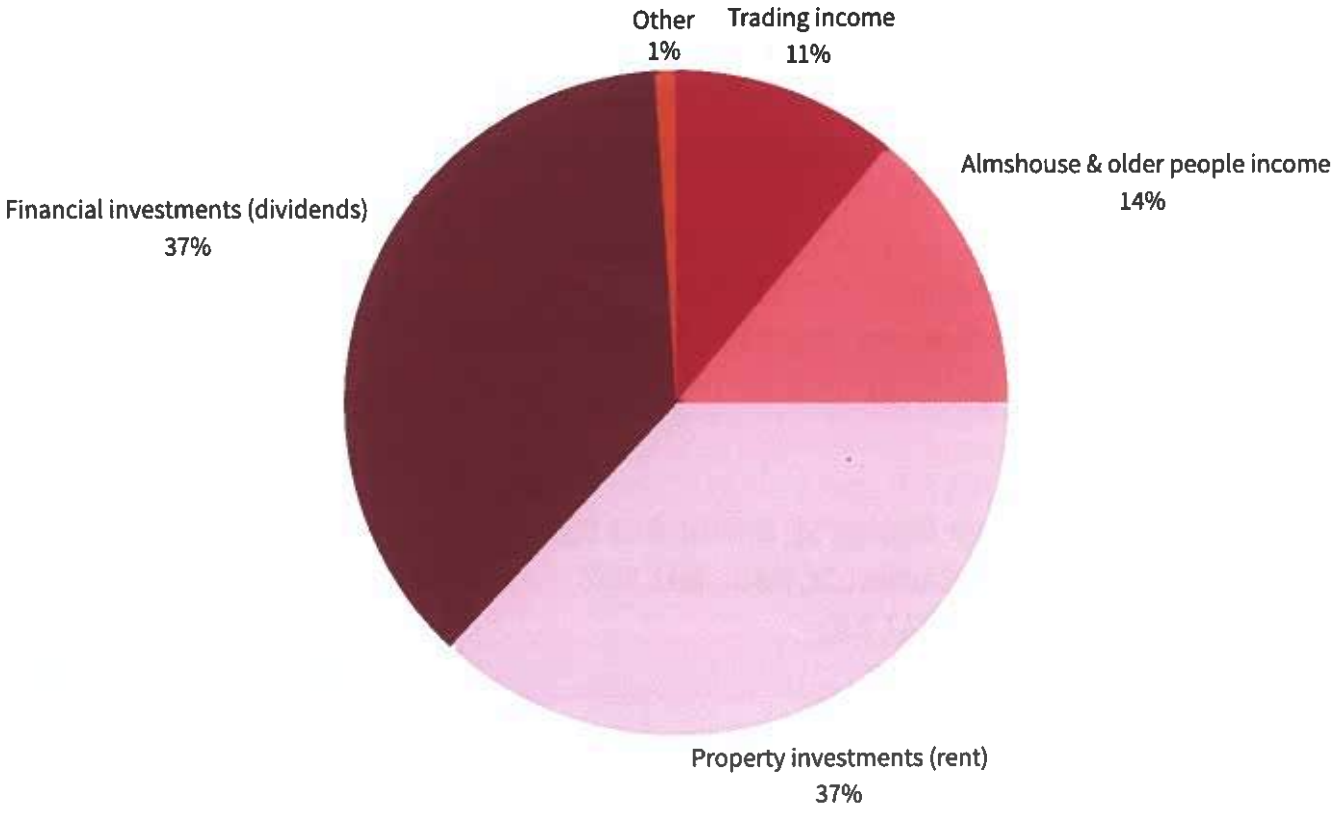
Investment Managers:
Evelyn Partners Investment Management LLP Portwall Place, Portwall Lane, Bristol, BS1 6NA
Schroder & Co Ltd trading as Cazenove Capital, 1 London Wall Place, London EC2Y 5AU
Charities Property Fund Savills Investment Management, 33 Margaret Street, London, W1G 0JD

Chartered Surveyors:
Jones Lang LaSalle Ltd 31 Great George St, Bristol, BS1 5QD
Martin Blake Associates Ltd 8a Bartlett St, Bath, BA1 2QZ
Carter Jonas 5-6 Wood St, Bath, BA1 2JQ
C Squared 82 Walcot St, Bath BA15BD



FINANCIAL REVIEW

The consolidated income for 2023 was £5.7m. This is the higher than the £5.3m in the previous year. Investment income remained broadly at the same level (c£3.9m). However, income from both trading and charitable activities grew.





CHARITABLE ACTIVITIES

Income from charitable activities, which includes income from almshouses and residential care, increased by £196,000 (24%) in 2023 from 2022.
The monthly maintenance charge paid by residents within the almshouses was reviewed in year and increased in alignment with the Local Housing Allowance. This was the main driver of the 24% increase in income from charitable activities.

Donations and legacies
Donation income fell from £73,000 in 2022 to £3,000 in 2023. This is because at the end of 2022 a grant of £70,000 was received towards the end of the year from the Julia and Hans Rausing Trust, to mark the accession of Her Majesty the Queen. The funds were provided for core costs of the organisation and have been treated as unrestricted income.

Investment income
Investment income in 2023 was £3.9m, the same as in 2022. Within this, property income continued to fall as properties were sold and/or held vacant for disposal. Residential income fell by £23,000 (2.9%) and commercial income by £87,000 (4.7%). This was offset by higher dividend income with financial investment income increasing by 12.8% in year from £1.2m to £1.4m. With property disposals planned into 2024 and the reinvestment of proceeds into the financial investments, the trend seen in 2023 from property income to dividends, is expected to continue into 2024.

Trading activities

As discussed above, the Trading Company saw an increase in overall income of £207,000 (34.6%). This was due to the growth in the House of St John's which saw turnover increase by 150% to £455,000 as the business entered it's second year of trading. The income from House of St John's was however, offset by a decrease in income from St Catherine's which fell by £66,000 (15.9%). During 2023, the holiday apartment operator running St Catherine's on the trading company's behalf went into voluntary liquidation. The running of the business was transferred to a company connected to the directors of the liquidated business for a few months whilst St John's sought a new managing agent. The new managing agents were appointed in January 2024 and started trading with St Catherine's in February 2024. These changes led to reduced income and higher costs during the transition.

The House of St John's generated income from office rental, event space hire and co-working memberships. The business operated at a loss which was anticipated as it was only the second year of trading.

Expenditure

Total expenditure in 2023 was £6.8m (2022: £6.5m).

After consolidation adjustments, costs for the Trading Company were £693,000 in 2023 (2022: £674,000).

Charitable Delivery

Expenditure on charitable delivery was £1.2m higher in 2023 than in 2022 but only £42,000 higher than budgeted. The year on year increase was largely driven by an exercise in 2023 to review cost allocations. The basis of overhead allocation had not been reviewed since the introduction of the new strategy in 2020 and it was felt that the historical method of allocating costs no longer reflected the true underlying nature of the costs and use of overheads on different activities. There were also some costs which could be directly attributed to the almhouses or investment properties with some improved cost coding. The allocation of central overheads to charitable activities increased from £660,000 in 2022 to £1.5m in 2023.

Spend on the almshouses was £240,000 (29%) higher in 2023 than 2022 but £60,000 lower than budget. These extra costs reflect ongoing maintenance costs and increasing costs of utilities, as well as an inflationary increase in wages during the year. Significant repairs and capital costs on the almshouses are planned for 2024 as part of the cyclical maintenance of the buildings.

Spend on Funding and Impact in 2023 was also slightly higher at £1.8m before overheads compared to £1.7m in 2022 but below budget by £365,000.

The decrease expected from the final tranche of multi-year funding awards to which the Charity had committed prior to the implementation of the new strategy in 2022 was offset by the introduction of a free school meals programme. Under this programme, the Charity agreed to fund school meals across seven local primary schools for those not entitled to free school meals under the government scheme. However, spend on this was £250,000 lower than budgeted due to over estimating the take up of meals and speed at which the programme would be rolled out. The crisis fund saw fewer applicants and spend in 2023 was £80,000 below budget. Further information on charitable activities is provided above and in Note 7 below.

Costs of Raising Funds

There was a significant decrease in the cost of raising funds in 2023 compared to 2022 . This relates to the cost of operating the investment property portfolio and most of the decrease is due to the cost allocation exercise discussed above.

Before allocation of central overheads, spending on property management costs fell by £404,000 to £749,000 (2021: £1.15m). 2022 included one-off costs associated with the new investment strategy, including professional advice on disposal strategies and a significant increase in planned maintenance costs on the residential estate compared to 2021. Such repair costs fluctuate year on year and are programmed over a 30-year property plan. Higher costs had been budgeted for in 2023 but repairs which were not deemed essential or likely to generate a return on sale were not undertaken on properties due for disposal. Property costs were 16% below budget as a result. The disposal strategy should lead to repair costs reducing each year as the number of buildings in the portfolio reduces.

Inflationary increases in the year meant the cost of building repairs, insurance, computer software, licensing and general consumables became more expensive. Electricity costs increased due to the long-term price contract ending in July 2023, and whilst significant increases were seen these remained below the budgeted position, which had been over prudent. The gas contract is due for renewal in 2024. It is anticipated that this will lead to significant unit cost increases which is being built into financial plans. There were also increased costs within the finance team as three of the four team members went on maternity leave in 2024, leading to increased costs of providing cover and recruitment.

Volunteers

The Charity supports many people in Bath and North East Somerset with the valued help of volunteers who work with the Good Living Service. We are incredibly grateful for the time and effort of the volunteers who support the activities of the Charity.

Annual Deficit

Overall, the operating deficit for 2023 was £1.083m (2022: £1.145m) before gains and losses on investments.

Valuation gains on both listed investments and the property portfolio have created a positive net movement in funds of £3.4m compared to a negative net return of £13.0m in 2022. 2022 reflected a decrease in the financial markets affecting both equities and property prices as at 31 December 2022.

In 2022 property valuations were affected by a decision to amend the valuation assumptions on the majority of the residential property portfolio. The trustees had agreed that it was in the Charity's best interest to sell a significant proportion of the residential estate on a portfolio basis with tenants in situ. This approach would lead to a lower market value being achieved on sale than if the properties were sold on an individual basis with vacant possession (the basis usually used in the financial statements to determine fair value). The trustees were therefore of the view that the fair value of these properties should reflect the decisions made at year end and agreed to reduce the fair value to a portfolio basis with tenants in situ for those properties being marketed as such at the year end. During 2023, it became clear that the discount in selling the properties with tenants in situ would be too large to justify a sale and the decision was made to sell the properties on a piecemeal basis when vacant. The properties are therefore valued on a vacant possession basis as at 31 December 2023.

The Charity adopted a total return method of accounting from the 1st of January 2013. On this date the initial value of the unapplied total return was £45.5m and the core capital endowment was valued at £35.0m. In arriving at these values, the trustees used the indexed values of the permanent endowment at 1 January 1995 to represent the preserved value of the original gift.

Calculating our inflation +4% target:

The Board recognises that market volatility could cause the value of its investments to fluctuate each year. However, given the Charity's overall financial strength, the longer-term view is more important. The target is therefore measured as an average over a rolling five-year period.

Investment management costs, like fees charged by investment managers, are deducted within the calculation. This means that the whole CPI+4% return is available to support charitable activities.

From this date the Charity has set a target to achieve a 'total return' from its investments of inflation +4% on average each year. 'Total return' is the sum of valuation gains and income (e.g., dividends or rent).

Why CPI +4%?

CPI (the Consumer Prices Index) is a measure of inflation. The use of an appropriate measure of inflation is important. The Retail Prices Index (RPI) has historically been used by the Charity but following careful consideration, the trustees agreed to move to CPI from 1 January 2021. By ensuring the investments grow in line with inflation, the value of investments is protected to support the needs of future generations. In 2021 the permanent endowment was increase by £2.0m for CPI (2022: £4.765m CPI).

The Charity also relies on income from its investments to fund its charitable activities today. The 4% return more than inflation is used to support our existing beneficiaries. In 2023 £4.5m of unapplied total return was allocated to income (2022: £3.5m).



INVESTMENTS

At the year end, the Charity held £105.1m of investments (2022: £106.4m). Of this, £51.7m (49%) was property in Bath (2022: £62.8m / 59%). The Investment Committee has agreed a target strategic allocation of assets (i.e., mix of different types of investments), designed to create the highest return at an acceptable level of risk. A review of the property portfolio was commissioned in year and reports previously commissioned from two independent investment managers to establish an appropriate target. This led to a change in the Investment Policy and a new strategic asset allocation. The need to rebalance the investment portfolio (by buying and selling assets) is assessed at least annually with a detailed plan in place to achieve any identified need to rebalance the portfolio. Other investments (including a social loan, and cash balances) have not been included, as these make up less than 0.5% of the total value.



INVESTMENT POLICY

A few notes on our Investment Policy:

• There is no limit on investment in individual assets, but the Investment Committee actively monitors any asset which makes up more than 5% of the value of the portfolio.
• The Investment Policy allows for investment in any type of asset, with the exception of derivatives (unless for the purpose of hedging) and individual investments may be excluded where there is conflict with the Charity's objectives.
• The Charity can invest in mixed motive and social investments where they align with the Charity's objects. It currently holds a small social investment representing two concessionary loans to a carer's centre, the purpose of which aligned to the Charity's object of assisting those in need. These do not form a material part of the Charity's charitable or investment activities.



RESPONSIBLE INVESTING

The trustees recognise the importance of responsible investment (RI) and during 2021 the Investment Policy was amended to better reflect the values of the Charity. The UN Sustainable Development Goals (UNSDGs) were recognised as a good indicator of this for investments and the following goals have been adopted as the Charity's investment values:

UNSD Goal 1 – No poverty

UNSD Goal 2 – Zero hunger

UNSD Goal 3- Good health and well-being

UNSD Goal 4 – Quality education

UNSD Goal 10 – Reduced inequalities

UNSD Goal 11 – Sustainable cities and communities

The trustees do not impose any strict exclusion criteria in relation to the investment values (though appointee investment managers may themselves have their own baseline exclusions). The investment values should provide a guiding context for investment decision making as they are important to the Charity.

The trustees also seek continuous improvement in how the Charity's investments can be better aligned to its investment values whilst still providing the best financial return within an acceptable level of risk. In the first instance the trustees expect the following in relation to RI considerations:

- Investment managers must be signatories of the UN Principles of Responsible Investment (PRI) and report annually to the trustees on their performance against the UN PRI.
- Investment managers are required to report to the trustees on any baseline level of investment exclusions applied by them to the Charity's portfolios and the trustees are to be kept appraised of any developments in exclusion policy by the investment managers.
- Where investment managers place the Charity's funds with 3rd party managers, the investment managers must ensure that the third-party managers are also signatories of the UN PRI, and they must evaluate their performance in relation to this.
- Annual reports are to be provided to the trustees showing how the Charity's managed portfolios are performing in relation to RI considerations and where possible, this should be reported in relation to the Charity's investment values. The trustees acknowledge that this reporting will be emergent but expects it to become more mature over time to enable the trustees to track how well the Charity's investments are aligned to the Charity's values.
- It is expected that investment managers will report to the trustees on a quarterly basis on any conduct breach of the UN Global Compact by companies within our investment portfolio.
- Individual investments may be excluded if seen to conflict with the investment values.

CHARITY RESERVES

Most of the Charity's reserves are held as investments. The income from these investments is needed to support today's beneficiaries, as well as future generations. The trustees therefore protect a significant proportion of reserves for future use. At the end of 2023, total charity reserves were £115.3m (2022: £112.9m).

The Charity adopts a zero "free" reserves policy. However, not all the unrestricted fund is relevant in calculating free reserves and a zero 'free' reserves policy does not mean that the unrestricted fund is zero. The following are still held in the unrestricted fund and excluded in calculating the 'free' reserves as they are not readily available for spending:

Any operational fixed assets not already excluded from unrestricted funds through the functional endowment (e.g., head office) of £1.7m (2022: £1.5m).

Committed awards or building contracts, not included as a liability in the accounts of £1.3m (except those already excluded from unrestricted funds through the functional endowment) (2022: £1.2m).

Charity only	£'m
Invested endowment	100.5
Functional endowment	12.2
Operational assets (excluding endowed)	1.7
Commitments	1.3
Restricted funds	0.1
"Free" reserves	(0.5)
Total reserves	115.3

At the year-end there were negative 'free' reserves held - in other words there was a deficit of £0.5m such that the accounts show that there are insufficient unrestricted reserves held to meet commitments as at 31 December 2023. This is against the reserves policy set in 2021 when the trustees reviewed and revised the Reserves Policy for the Charity to adopt a zero free Reserve Policy. This policy aims to draw down funds from the unapplied total returns into unrestricted reserves only as required to meet operational expenditure in any given year, including enough to cover commitments at year end.

The trustees consider a zero "free" reserves policy to be a reasonable approach as the Charity adopts a total return approach and holds significant unapplied total returns which can be expended as required. The level of reserves required for transfer must be set prior to the year end and is usually set at a high-level estimate of what is required. Unfortunately, the resolution passed by the Board of Trustees in December 2023 capped the increase at £4.5m which was less than the amount required once the year end adjustments had been made. As a result there is a deficit on free reserves at year end. This is not a cause for concern however, as the charity can make transfers in year as required from unapplied total returns and the levels of these are significant, being £47.7m at year-end. Therefore, whilst showing a deficit on unrestricted 'free' reserves, there was more than sufficient funds available in other reserves to meet commitments and a transfer was made in March 2024 from unapplied total returns to unrestricted reserves to cover the year end deficit.

The level of unapplied total returns is managed carefully to ensure that the Charity has financial resilience but also maximises the charitable impact by not holding surplus funds. This is achieved through long term financial planning to ensure that investments are maintained at a level which will produce sufficient returns to fund the almshouses, the Good Living Service and funding awards for future generations and protects the spending power of this by inflation. Unapplied total returns in excess of this are expendable on the Foundation Fund and other subsequent strategies and can be released for expenditure by resolution of the Board.

As a long-term approach is taken, the level of unapplied total returns in any one year is expected to fluctuate but the average position is considered and taken into financial planning to determine spending plans and budgets.



Within the Charity, each team actively manages its own risk register to ensure mitigating actions are carried out and scoring is up to date. High-scoring risks (i.e., those with significant likelihood and impact) are included on the Corporate Risk Register. The Audit and Risk Committee reviews the Corporate Risk Register four times a year and may suggest further actions to reduce the likelihood or impact of a risk.

The key risks St John's manages can be summarised into charitable impact, economic and people related risks as follows:

Charitable impact risk: failure to achieve and/or demonstrate charitable impact to the extent intended.

Mitigating actions: Robust due diligence processes are in place for established charitable work throughout the crisis programme and alms-houses. The 2020 – 2030 strategy, covering all aspects of charitable delivery including its ambitious goal to reduce the attainment gap in Bath and North East Somerset, is supported by evaluation and delivery partners, and a system of capabilities to drive continuous improvement.

Economic Risk: Failure to achieve the targeted total return which impacts the income/ capital required to pursue strategic aims.

Mitigating actions: St John's takes a long-term view on its investments, and it uses professional investment managers for the financial portfolio to enable recovery and future growth, and to mitigate short-term impacts. The direct property portfolio is proactively managed with agents' advice. The long-term financial plan is regularly refreshed and guides discussion, planning and decision making at Investment Committee and Board. The new investment strategy and divestment of properties is a mitigating action to this risk by better diversifying the portfolio. On an operational level, employees are supported to regularly engage with budget/ forecasting exercises, actively manage contracts, and consider costs throughout projects to ensure financial efficiency in delivering strategic aims.

People related risk: A poor organisational culture results in ineffective operational delivery, there is a high staff turnover and/or there is a failure to build the capabilities that will enable St John's to deliver its strategy.

Mitigating actions: Quarterly pulse surveys are circulated to all employees to receive feedback with additional ad hoc staff events. Regular internal communications ensure employees feel informed and understand how their role contributes to the wider strategy. Senior managers are asked to report against the capability system and are invited to explore concerns through coaching and 1:1s, with support given for training as needed.

Going Concern

The Charity considers that it has adequate resources to continue in operational existence for the foreseeable future and has adopted the going concern assumption in preparing these financial statements.

The trustees actively plan for the Charity to exist for many years, and this is reflected in the approaches taken to both long-term planning of investments and reserves, detailed above. These approaches (including the planned level of unapplied total returns held by the Charity and the discretion that it has over its expenditure) mean that whilst heavily reliant on investment returns, the trustees consider the Charity to be resilient to shorter-term volatility in its investments and plans are in place to remain adequately resourced to meet the need of both present and future beneficiaries. To provide ample headroom, overdraft facilities are in place which cover a reasonable worst-case scenario for cash flow and if required, the financial investments could be liquidated.



STATEMENT OF TRUSTEE'S RESPONSIBILITIES

The Trustee is responsible for preparing the Trustee's Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom).

The law applicable to charities in England and Wales requires the Trustee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and the group and of the incoming resources and application of resources of the Charity and the group for that period.

In preparing these financial statements, the Trustee is required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgments 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; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustee is responsible for keeping proper accounting records that are sufficient to show and explain the Charity's transactions, that disclose with reasonable accuracy at any time the financial position of the Charity and enables it to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed.

It is also responsible for safeguarding the assets of the Charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustee is responsible for the maintenance and integrity of the financial information included on the Charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

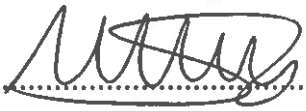
Crowe U.K. LLP have been appointed as auditors in the period. A resolution for the reappointment of Crowe U.K. LLP as auditors for the Charity will be proposed at the forthcoming Annual General Meeting.

Approved by the Trustee on 26th September 2024 and signed on its behalf by:

JOHN LACEY
Name:


Signature:

MADELEINE MUSSELWHITE
Name:


Signature:

St John's Foundation Est. 1174

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST. JOHN'S FOUNDATION EST. 1174

Opinion

We have audited the financial statements of St. John's Foundation Est. 1174 ('the charity') and its subsidiary ('the group') for the year ended 31 December 2023 which comprise Consolidated statement of financial activities, Consolidated Balance sheet, Charity Balance sheet, Consolidated statement of cash flows and notes to the financial statements, including 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 group's and the parent charity's affairs as at 31 December 2023 and of the group's 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 group 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 trustee's 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 or the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, 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.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient and proper accounting records have not been kept by the parent charity; 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 trustees' responsibilities statement set out on page 41 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 group's and the parent 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 151 of the Charities Act 2011 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue 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. Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.
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.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charity and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity and the group for fraud.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management and investment properties. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance and designing audit procedures over investment properties.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

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.

Use of our 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.

Crowe UK LLP

Crowe U.K. LLP
Statutory Auditor
Fourth Floor
St James House
St James Square
Cheltenham
GL50 3PR

Date: 24 October 2024

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

St John's Foundation Est. 1174
Year ended 31 December 2023

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

	Note	Unrestricted fund £'000	Restricted funds £'000	Endowment fund £'000	Total 2023 £'000	Total 2022 £'000
Income and endowments from:						
Charitable activities		985	25	-	1,010	814
Investment income	2a	1	8	3,892	3,901	3,858
Other trading activities		797	-	-	797	600
Donations and legacies	2b	1	2	-	3	73
Transfer to income	17a/21	4,500	-	(4,500)	-	-
Total income		**6,284**	**35**	**(608)**	**5,711**	**5,345**
Expenditure:						
Expenditure on charitable activities:						
Older adults services		2,262	15	114	2,391	1,807
Funding and impact	7	2,546	29	-	2,575	1,968
Total expenditure on charitable activities	3	4,808	44	114	4,966	3,775
Cost of raising funds	4	948	-	187	1,135	2,041
Other expenditure	5	693	-	-	693	674
Total expenditure		**6,449**	**44**	**301**	**6,794**	**6,490**
Net (expenditure) before investment (losses) / gains		**(165)**	**(9)**	**(909)**	**(1,083)**	**(1,145)**
Net gains / (losses) on investments	13	-	-	3,427	3,427	(12,961)
Net (expenditure) / income		(165)	(9)	2,518	2,344	(14,106)
Transfers between funds	21	-	-	-	-	-
Net (expenditure)/ income & net movement in funds		**(165)**	**(9)**	**2,518**	**2,344**	**(14,106)**
Reconciliation of funds:						
Total funds brought forward	22	2,571	38	109,796	112,405	126,511
Total funds carried forward	22	**2,406**	**29**	**112,314**	**114,749**	**112,405**

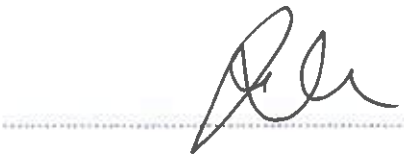
The notes on pages 52 to 81 form part of these financial statements.

St John's Foundation Est. 1174
As at 31 December 2023

CONSOLIDATED BALANCE SHEET

	Note	2023 £'000	2022 £'000
Fixed Assets			
Intangible assets	10	30	38
Tangible assets – freehold property	11	11,630	11,709
Other tangible fixed assets	12	539	313
Investments:			
Financial and property investments	13	105,090	106,439
Social investments	14	68	67
		117,357	**118,566**
Current Assets			
Social investments	14	-	32
Debtors	15	1,134	1,180
Cash at bank and in hand		1,102	102
		2,236	**1,314**
Creditors: amounts falling due within one year	16a	(3,284)	(5,656)
Net current (liabilities)		**(1,048)**	**(4,342)**
Total assets less current liabilities		**116,309**	**114,224**
Creditors: amounts falling due after more than one year	16b	(1,560)	(1,819)
Total net assets		**114,749**	**112,405**
Group reserves			
Invested endowment fund	17a	99,993	97,358
Functional endowment fund	17b	12,192	12,306
Roxburgh endowment fund	18	129	132
Unrestricted general fund	19	2,406	2,571
Restricted funds	20	29	38
		114,749	**112,405**

The notes on pages 52 to 81 form part of these financial statements. These financial statements were approved and authorised for issue by the Trustee at the meeting held on 26 September 2024 and were signed on its behalf by:



John Lakin



Madeleine Musselwhite

St John's Foundation Est. 1174
As at 31 December 2023

CHARITY BALANCE SHEET

	Note	2023 £'000	2022 £'000
Fixed Assets			
Intangible assets	10	23	25
Tangible assets – freehold property	11	11,642	11,721
Other tangible assets	12	373	112
Investments			
Financial and property investments	13	105,140	106,489
Social investments	14	68	67
		117,246	**118,414**
Current Assets			
Social investments	14	-	32
Debtors	15	2,059	1,795
Cash at bank and in hand		791	2
		2,850	**1,829**
Creditors: amounts falling due within one year	16a	(3,249)	(5,534)
Net current (liabilities)		(399)	(3,705)
Total assets less current liabilities		**116,847**	**114,709**
Creditors: amounts falling due after more than one year	16b	(1,560)	(1,820)
Total net assets		**115,287**	**112,889**
Charity reserves			
Invested endowment fund	17a	100,535	97,795
Functional endowment fund	17b	12,192	12,306
Roxburgh endowment fund	18	129	132
Unrestricted general fund	19	2,402	2,618
Restricted funds	20	29	38
		115,287	**112,889**

The notes on pages 52 to 81 form part of these financial statements. These financial statements were approved and authorised for issue by the Trustee at the meeting held on 26 September 2024 and were signed on its behalf by:

John Lakin

Madeleine Musselwhite

CONSOLIDATED STATEMENT OF CASH FLOWS

	2023 £'000	2022 £'000
Cash flows used by operating activities (note A)	(4,431)	(5,106)
Cash flows from financing activity		
Repayments of borrowings	(289)	(22)
Net cash used in financing activity	(289)	(22)
Cash flows from investing activities:		
Dividends, interest and rents from investments	3,901	3,858
Costs of generating funds paid by endowment capital	(187)	(282)
Improvements to investment properties	(94)	(322)
Movement of cash held by brokers to investments	(15)	(50)
Purchase of investments	(14,733)	(5,655)
Proceeds from the sale of investments	19,618	5,815
Social investments repaid	31	32
Purchase of property, plant and equipment	(367)	(112)
Adjustment to cost of intangible additions due to VAT recovery	-	-
Purchase of intangible assets	(8)	(17)
Net cash provided by investing activity	8,147	3,267
Net increase / (decrease) in cash and cash equivalents	3,426	(1,861)
Change in cash and cash equivalents in the year	3,426	(1,861)
Cash and cash equivalents at the beginning of the year	(4,363)	(2,502)
Cash and cash equivalents at the end of the reporting period (note B)	(937)	(4,363)

NOTE A: Reconciliation of net income to net cash flow from operating activities

	2023 £'000	2022 £'000
Net income / (expenditure) for the year (per Statement of Financial Activities)	2,344	(14,106)
Depreciation and amortisation charges	237	239
(Gain)/Loss on investments	(3,427)	12,961
Dividends, interest and rents from investments	(3,901)	(3,858)
(Increase) / Decrease in debtors	46	(223)
(Decrease) / Increase in creditors	83	(401)
Cost of generating funds from endowed capital	187	282
Cash outflow from operating activities	(4,431)	(5,106)

The cashflow statement has been restated for 2022 to improve the accuracy of presentation by including the overdraft facility within cash and cash equivalent on the face of the cashflow. In prior years this was shown only in the note.

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

NOTE B: Analysis of cash and cash equivalents	At start of year	At end of year
	£'000	£'000
Cash	102	1,102
Overdraft facility repayable on demand	(4,465)	(2,038)
Total	(4,363)	(936)

NOTE C: Analysis of changes in net debt	At start of year	Cash-flows	At end of year
	£'000	£'000	£'000
Cash	102	1,000	1,102
Overdraft facility repayable on demand	(4,465)	2,427	(2,038)
	(4,363)	3,427	(936)
Loans falling due within one year	(202)	(29)	(173)
Loans falling due after one year	(1,820)	(260)	(1,560)
Total	(6,385)	3,138	(2,669)

Notes to the Financial Statements

Principal Accounting Policies

Consolidation

The group financial statements consolidate the financial statements of the charity and its wholly owned subsidiary, St John's Hospital Trading Company Ltd ('the subsidiary') for the year ended 31 December 2023. The results of the subsidiary for the year are set out in note 13. The group will be referred to as 'St John's' or 'the charity' throughout these financial statements. All intergroup sales and profits have been eliminated upon consolidation. The Mayor of Bath's Relief Fund (Charity ref. 204649) has not been consolidated as, in line with the exemption granted by the Companies Act 2006, its inclusion is not material for the purpose of giving a true and fair view. The appropriateness of this treatment is reviewed annually.

Basis of preparation

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland ('FRS102 SORP') and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ('FRS102')(effective 1st January 2019) and the Charities Act 2011 and UK Generally Accepted Accounting Practice.

St. John's Foundation Est. 1174 constitutes a public benefit entity as defined by FRS102 and is an unincorporated Charity; its subsidiary is a limited company. The functional currency of the Group is sterling. The registered address of both the Charity and its subsidiary is 4/5 Chapel Court, Bath, BA1 1SQ. The country of incorporation for the subsidiary is the United Kingdom.

Except as set out below, the financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value. Freehold housing properties (operational properties) are shown at deemed cost. Investment properties are shown at their revalued amounts and the investment portfolios are valued at closing market values. These policies have been applied consistently throughout the current and prior year.

The results for the charity and reconciliation of funds are shown in notes 17 to 22. The Charity has also taken qualifying exemptions available to a qualifying entity in FRS 102 from the requirement to present a Charity only cash flow statement.

Notes to the Financial Statements

Principal Accounting Policies (continued)

Assessment of going concern

The Charity considers that it has adequate resources to continue in operational existence for the foreseeable future and has adopted the going concern assumption in preparing these financial statements.

The trustees actively plan for the Charity to exist for many years, and this is reflected in the approaches taken to both long-term planning of investments and reserves, detailed above. These approaches (including the planned level of unapplied total returns held by the Charity and the discretion that it has over its expenditure) mean that whilst heavily reliant on investment returns, the trustees consider the Charity to be resilient to shorter-term volatility in its investments and plans are in place to remain adequately resourced to meet the need of both present and future beneficiaries. To provide ample headroom, overdraft facilities are in place which cover a reasonable worst-case scenario for cash flow and if required, the financial investments could be liquidated.

Income recognition

Income is recognised when the charity has entitlement to the income, it is probable that the income will be received, and the amount of income receivable can be measured reliably. Dividend income is recognised when the dividend has been declared. Interest on capital is recognised when receivable and the amount can be measured reliably. This is upon notification by our investment advisors or the bank of the dividend or interest yield.

Rental income, from investment properties, is recognised over the term of the lease with any lease incentives spread evenly over the lease term. Particular attention has been given this year to assessing the probability of receiving rental income before it is recognised (see accounting policy "key sources of estimation uncertainty"). Almshouse income represents fees from residents and other service user income and is credited to the unrestricted fund. It is recognised in the period to which the almshouse residency relates on an accruals basis.

Donations and grants

Donations are accounted for when received. Donations subject to specific wishes of the donors are carried to the relevant restricted fund.

Notes to the Financial Statements

Principal Accounting Policies (continued)

Expenditure

All expenditure is accounted for on an accruals basis and is recognised when there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All costs have been directly attributed to one of the functional categories of expenditure in the SOFA. The cost of raising funds includes investment management costs, for both our listed and property investments. Expenditure on charitable activities includes the cost of running our almshouses, outreach services and our awards programme. Please also refer to the paragraph below regarding the allocation of support costs to activities.

Funding awards payable

Funding awards payable are payments made to third parties in the furtherance of the charity's objects. In the case of an unconditional award offer this is accrued once the recipient has been notified of the award. Where performance-related conditions are attached the cost of the award is not recognised until there is sufficient evidence that the conditions will be met.

Individual awards are recognised on approval of the award. Multi-year awards for core funding are recognised in full on approval of the award where there are no performance conditions attached.

Irrecoverable VAT

Irrecoverable VAT is charged to the SOFA or capitalised as part of the cost of the related asset, where appropriate. The charity has opted to charge tax on certain commercial properties and recovers the associated input VAT. All other expenses are shown inclusive of non-recoverable VAT.

Allocation of support costs

General management expenses (including depreciation, property costs and the cost of supporting teams) and governance costs are apportioned between charitable activities and raising funds. The split of overheads is a close reflection of the time spent on each activity. Governance costs include audit and accounting fees, and Trustee expenses.

Notes to the Financial Statements

Principal Accounting Policies (continued)

Gifts in kind, donated services or facilities and volunteers

These are estimated and included in the period in which they are received. In accordance with the Charities SORP (FRS102), volunteer time is not recognised in the SOFA. More information about their contribution is explained in the Trustee's annual report.

Intangible fixed assets

Intangible fixed assets are those which lack physical substance but provide an on-going economic benefit for the charity. They are recognised at historic cost and subsequently amortised so as to write off the cost over their expected useful lives, as follows:
Website 3 years / 33% per annum
Software & brands 4 years / 25% per annum

Tangible fixed assets

The limit above which assets are capitalised is £500 (for individual purchases) and £1,000 (aggregated). Office and computer equipment, fixtures and fittings and motor vehicles are stated at cost less depreciation and provision for impairment. Depreciation is calculated to write off the cost of such fixed assets over their expected useful lives; the rate used for this purpose in the charity is 5% to 25% per annum on a straight line basis, depending on the asset. In the trading company the rates vary from 10% to 33%.

Housing and administrative properties

Housing and administrative properties are included in the financial statement as freehold fixed assets. The cost of freehold housing properties represents deemed cost at 1st January 2014 under transition to FRS102, plus subsequent additions at cost. Assets are stated at deemed cost less accumulated depreciation and any accumulated impairment losses. Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets, other than freehold land, over their expected useful lives, using the straight-line method. The applicable rate is:

Freehold buildings 50 years / 2% per annum

Freehold land is not depreciated. A depreciation rate of 2% is applied to the buildings' cost, which is assessed to be two thirds of the total property value less its residual value.

Notes to the Financial Statements

Principal Accounting Policies (continued)

Fixed asset investments

Investment properties

The charity owns freehold properties and ground rents for long term investment. In accordance with FRS102 these are included in the balance sheet at valuation at 31 December 2023, and the surplus or loss arising on revaluation has been transferred to the relevant reserve. On disposal of investment properties, the net gain or loss on disposal is calculated and transferred to the relevant reserve. The gain or loss is calcultaed as the proceeds less book value at the previous year end less direct costs of disposal, such as agent and legal fees.

Quoted investments

Investments are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing market bid price. The SOFA includes the net gains and losses arising on revaluation and disposals throughout the year. The surplus or deficit arising on revaluation has been credited or charged to reserves, as appropriate.

The charity does not have any derivatives or other complex financial instruments.

Social investments

Social investments are in the form of concessionary loans to third parties, which aim to generate a financial return whilst furthering the charitable aims of the charity. As such, they have been classified as mixed-motive investments. These loans are initially recognised at the amount drawn down and the carrying amount then adjusted to reflect capital repayments and any accrued interest and impairment in line with paragraph 21.26 of the FRS 102 SORP.

Investment in subsidiary

The investment in the subsidiary is held at cost.

Taxation

The Charity does not pay tax, provided any surplus or gains are used for charitable purposes. For the subsidiary, current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted at the balance sheet date.

Notes to the Financial Statements

Principal Accounting Policies (continued)

Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Restricted and endowment funds are subject to specific restrictions imposed by the donor of the income or the Charity Commission. Further explanation of each fund held by the charity is contained in notes 17-22 of these financial statements.

Total return accounting

The Charity Commission permitted the charity to adopt the use of total return in relation to its permanent endowment on 25th September 2012. The power permits the Trustee to invest permanent endowments to maximise total return and to make available an appropriate portion to the total return for expenditure each year. Until this power is exercised the total return shall be an 'unapplied total return' and remain as part of the permanent endowment. The Trustee has used the indexed values of the permanent endowment at 1st January 1995 to present the 'preserved value' of the original gift.

Financial instruments

The charity only has financial assets and financial liabilities that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost. Financial assets include the charity's trade and other receivables. Financial liabilities include the charity's trade creditors, accruals and other creditors.

Debtors

Trade, other debtors and accrued income are recognised at the settlement amount due after any discounts offered. Prepayments are valued at the amount prepaid net of any discounts due.

Cash and cash equivalents

Cash and cash at bank comprise short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Notes to the Financial Statements

Principal Accounting Policies (continued)

Creditors

Creditors are recognised at their settlement amount after allowing for any trade discounts due.

Pension costs

Employees of the charity are entitled to join a defined contribution scheme. The pension costs charged in the year represent the amount of the contributions payable to the defined contribution scheme in respect of the accounting period. The charity's pension contributions for current employees are charged to the SOFA in the year in which the contribution arises. The charity has no liability beyond making its contributions and paying across the deductions for the employees' contributions.

Key sources of estimation uncertainty

Revaluation of properties
The charity carries its investment property at fair value, with changes in the fair value being recognised in the SOFA. Fair value is determined by independent valuation specialists using discounted cash flow models over an appropriate period, with the net income in the final year capitalised into perpetuity. Allowances are made for voids and the cost of management, repairs and maintenance. The discount rate used reflects the overall level of risk associated with the income.

Useful economic lives of tangible assets
The annual depreciation charge for tangible assets (and amortisation for intangible assets) is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See notes 10-12 for the carrying amount of the property, land, plant and equipment.

Residual value of tangible assets
The residual value of operational properties has been estimated at 25% (the land on which the buildings are situated is not depreciated). This estimate has been reached on the basis that, as sites are actively used by the charity, and the majority are grade I and II listed, they are kept to a high standard of repair. It would therefore not be representative of the assets' ongoing worth to depreciate them fully.

Notes to the Financial Statements

9. Related party transactions and trustees' expenses and remuneration

Transactions between the Charity and the Trading Subsidiary

In 2023, the Charity charged £97,481 (2022: £97,241) for the lease of St Catherine's Hospital to the Trading Company, and it charged £133,923 (2022: £133,931) for the lease of the House of St John's (1 Queen Square).

Also, costs relating to the Trading Company (such as insurance, utilities, repairs and staff time) were recharged to the Trading Company at cost. In 2023, this amounted to £91,770 (2022: £85,409).

At the year end, the Trading Co owed the Charity £1.02m (2022: £772,000). This comprised of £472,908 in respect of rent and recharges (2022: £153,447), uninvoiced rent of £nil held as accrued income by the Charity (2022: £125,000), the loan shown in Note 15 of £475,000 (2022: £475,000) and other sundry amounts owed for recharges and interest accruals of £71,991 (£18,150).

Trustee expenses

During 2023, all the directors of the Trustee continued to give their time and expertise without any form of remuneration or other benefit in cash or kind (2022: £nil).

Expenses paid to the directors of the Trustee in 2023 totalled £1,572 (2022: £211). These expenses were paid to six directors (2022: one director) for travel and subsistence.

Trustee indemnity insurance was purchased by the charity on behalf of the Trustee. The sum insured was £5m in both 2022 and 2023. The cost of the policy was £5,285 (2022: £5,285).

Other transactions with related parties are summarised as follows:

Related party	Nature of relationship	Payments made 2023 £	2022 £
Bath Business Improvement District	Mr D Hobdey is a Director and Chair	-	6,181
Curo	Mrs H F Bosnell is a Director	-	40,512
Twerton Infant School	Mr D Hobdey is a Governor	39,830	38,820
Mulberry Park Community Benefit Society	Mrs H F Bosnell is a Director	-	2,148
Bath and North East Somerset Third Sector Group	Mr R Driver is a Trustee	1,060	20,425

In 2021, Mr D Hobdey (CEO of the Charity) was granted a short-term licence to occupy Flat 1 of Chandos House, at market rent of £950 per month. The market rent was in line with an independent letting agent's valuation. The property was vacant and still being marketed during this period, with the licence to occupy being granted under the condition viewings would continue to be carried out, and notice would be given if a buyer was found. Total income of £nil (2022: £437) was received in the year, of which £nil (2022: £0) was due at the balance sheet date. The licence to occupy lasted 50 days and Mr Hobdey moved out on 14/01/2022.

In 2023, the Charity held money as agent on behalf of Bath Unlimited, a community interest initative in which Mr D Hobdey is a director. A total of £5,000 was received during the year, with a balance remaining of £9,340 at 31 December 2023 (2022: £4,340). Bath Unlimited uses 1 Queen Square as its Registered Office for which there is no charge and used the House for events and meeting space for which £nil (2022:£667) of invoices were raised by the trading company.

There were no transactions with the Trustee or other related parties during the year, other than those disclosed above (2022: none). No balances were outstanding to or from related parties at the year-end (2022: none).

Notes to the Financial Statements

1. Comparative Consolidated Statement of Financial Activities

	Unrestricted fund £'000	Restricted funds £'000	Endowment fund £'000	Total 2022 £'000
Income and endowments from:				
Charitable activities	814	-	-	814
Investment income	-	7	3,851	3,858
Other trading activities	600	-	-	600
Donations and legacies	70	3	-	73
Transfer to income	3,521	-	(3,521)	-
Total income	**5,005**	**10**	**330**	**5,345**
Expenditure:				
Expenditure on charitable activities:				
Residential care & support	1,675	19	113	1,807
Funding and impact	1,963	5	-	1,968
Total expenditure on charitable activities	3,638	24	113	3,775
Cost of raising funds	1,759	-	282	2,041
Other expenditure	674			674
Total expenditure	**6,071**	**24**	**395**	**6,490**
Net income / (expenditure) before investment (losses) / gains	**(1,066)**	**(14)**	**(65)**	**(1,145)**
Net gains / (losses) on investments	-	-	(12,961)	(12,961)
Net income	(1,066)	(14)	(13,026)	(14,106)
Transfers between funds	-	-	-	-
Net income and net movement in funds	**(1,066)**	**(14)**	**(13,026)**	**(14,106)**
Reconciliation of funds:				
Total funds brought forward	3,636	52	122,823	126,511
Total funds carried forward	**2,570**	**38**	**109,797**	**112,405**

Notes to the Financial Statements

2. Income

2a. Investment income

Consolidated	Unrestricted fund	Restricted fund	Permanent endowment fund	2023	2022
	£'000	£'000	£'000	£'000	£'000
Commercial investment properties	-	-	1,762	1,762	1,849
Residential investment properties	-	-	780	780	804
Property investment income	-	-	2,542	2,542	2,653
Interest received on social investment	-	-	4	4	5
Listed investments	1	8	1,346	1,355	1,200
Interest on cash deposits	-	-	-	-	-
Non-property investment income	1	8	1,350	1,359	1,205
Total	1	8	3,892	3,901	3,858

2b. Donations and legacies including government grants

No government funding or donations from other charitable foundations were received in 2023. In 2022 a general grant was received from another charitable foundation. All other donations were small amounts received through the year.

3. Total expenditure on charitable activities

	Staff costs	Depreciation	Other costs	2023	2022
	£'000	£'000	£'000	£'000	£'000
Older adults services	927	158	1,306	2,391	1,808
Funding and impact	572	16	1,987	2,575	1,967
Total	1,499	174	3,293	4,966	3,775

4. Total cost of raising funds

	Staff costs	Depreciation	Other costs	2023	2022
	£'000	£'000	£'000	£'000	£'000
Property investment management costs	198	8	797	1,003	1,907
Other investment management costs	-	-	132	132	134
Total	198	8	929	1,135	2,041

Notes to the Financial Statements

5. Other expenditure

	Staff costs £'000	Depreciation £'000	Other costs £'000	2023 £'000	2022 £'000
Trading expenditure	125	55	513	693	674
Total	125	55	513	693	674

6. Governance costs

The charity identifies the costs which relate to the charity's governance function and these are recorded as part of the total costs of raising funds (see note 4) and expenditure on charitable activities (see note 3) and such costs are recorded in other expenditure when incurred by the Trading Company. Governance costs are detailed as follows:

	2023 £'000	2022 £'000
Auditor fees (including irrecoverable VAT):		
- for audit services	21	20
Accountancy and other professional services	29	3
Trustee expenses	7	6
Corporation tax payable by trading company	-	-
	57	29
These have been split across activities:		
Older adults services	22	8
Funding and impact	22	5
Property operational costs	7	16
Other expenditure	6	-
	57	29

Auditor fees for audit services as stated above include irrecoverable VAT and are dependent upon best estimates of accrued costs. In 2023, actual fees (net of VAT) were £18,800 (2022: £18,700).

7. Funding and impact

	2023 £'000	2022 £'000
Individual funding	157	235
Organisational funding	1,268	1,148
Funding support costs	1,150	585
	2,575	1,968

St John's awarded grants to a number of individuals and organisations in furtherance of its charitable activities. During 2023, a total of 44 (2022: 40) new awards were made to organisations. For awards payable to individuals, the maximum amount payable is usually £1,800 over two years (2022: £1,800 over two years).

Notes to the Financial Statements

7. Funding and impact (continued)

Recipients of organisational funding awards:
All organisation awards with a combined total of £15,000 or over paid in the year to charitable groups as part of the £1,268,000 above are shown below.

Project	Organisation	Amount (£)
PEP Emotional & Behavioural Support	Brighter Futures	£250,074
Language for Life Pilot	B&NES Council	£76,702
PEP Oracy Support	HCRG Care Group	£67,654
Roundhill Reading and Writing Support	Roundhill Primary School	£60,100
Castle Primary School Reading and Writing Support	Castle Primary School	£57,000
Early Nurture Service Pilot	Brighter Futures	£51,243
Glasshouse Activity Club	Bath Recreation Limited	£50,000
St Michael's Reading and Writing Support	St Michaels Junior School	£47,600
Debt Caseworkers 2023 - 2026	Citizens Advice	£47,000
St Martin's Garden Reading and Writing Support	St Martin's Garden Primary School	£41,600
Ageing Well - Bath & North East Somerset	Age UK Bath & North East Somerset	£40,000
Twerton Infants Reading and Writing Support	Twerton Infants School	£38,100
St Keyna Reading and Writing Support	St Keyna Primary School	£37,100
Health Improvement Officer - Food Poverty	B&NES Council	£36,548
PEP free school meals and breakfast club provision	Roundhill Primary School	£32,791
PEP free school meals and breakfast club provision	Castle Primary School	£29,682
No Child Should Go Hungry in B&NES 2021-2022	FareShare South West	£15,000
No Child Should Go Hungry in B&NES 2021-2022	FareShare South West	£15,000
Language for Life Pilot	B&NES Council	£29,661
St Mary's Writhlington Reading and Writing Support	St Mary's Primary School Writhlington	£29,080
Trauma Counselling - PEWP	Bright Start Childrens Centre	£24,752
PEP Numeracy Support	White Rose Education	£23,989
Children and Young People's Network	B&NES Council	£23,101
PEP Reading and Writing Support	Ruth Miskin	£22,860
PEP free school meals and breakfast club provision	St Keyna Primary School	£19,513

During the year £19,381 was refunded to the charity being a grant paid out to Developing Health & Independence in 2022 refunded in line with the grant agreement (2022 £nil).

Notes to the Financial Statements

7. Funding and Impact (continued)

Recipients of organisational funding awards:
All organisation awards with a combined total of £15,000 or over paid in the year to charitable groups as part of the £1,268,000 above are shown below.

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During the year £19,381 was refunded to the charity being a grant paid out to Developing Health & Independence in 2022 refunded in line with the grant agreement (2022 £nil).

Notes to the Financial Statements

8. Staff costs and remuneration of key management personnel

	2023 £'000	2022 £'000
Wages and salaries	1,518	1,526
Social security costs	151	156
Pension costs	164	158
Other employee benefits	18	19
Termination and redundancy costs	-	29
Agency staff costs	6	38
	1,857	1,926

The termination and redundancy costs in 2022 relate solely to amounts paid under agreement on termination of employment and includes salary costs in lieu of notice. There were no terminations of employment in the year (2022: three). All amounts had been fully paid by the balance sheet date. Costs are recognised when there is an obligation to make the redundancy or termination payment.

The average number of persons employed by the Group during the year and the prior year was:

	2023 number	2022 number
Older adults services	14	14
Funding & impact	4	5
Management, administration & other	22	22
Trading activities	3	2
	43	43

The number of employees whose emoluments were in excess of £60,000 per annum, excluding pension costs and employer's NIC, fell within the following bands:

	2023 number	2022 number
£60,001 - £70,000	2	1
£80,001 - £90,000	-	1
£90,001 - £100,000	2	1
£100,001 - £110,000	-	1
£110,001 - £120,000	1	-
	5	4

St John's considers its key management personnel to comprise the directors of the Trustee and the executive team. The employer pension contributions made in respect of key management personnel to the defined contribution scheme amounted to £30,000 (2022: £29,000).

No enhanced or special terms apply and there are no additional pension arrangements for these employees. The total employment benefits, including employer pension and national insurance contributions of the key management personnel were £370,000 (2022: £357,000).

Notes to the Financial Statements

9. Related party transactions and trustees' expenses and remuneration

Transactions between the Charity and the Trading Subsidiary

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Trustee expenses

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Expenses paid to the directors of the Trustee in 2023 totalled £1,572 (2022: £211). These expenses were paid to six directors (2022: one director) for travel and subsistence.

Trustee indemnity insurance was purchased by the charity on behalf of the Trustee. The sum insured was £5m in both 2022 and 2023. The cost of the policy was £5,285 (2022: £5,285).

Other transactions with related parties are summarised as follows:

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Bath and North East Somerset Third Sector Group	Mr R Driver is a Trustee	1,060	20,425

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In 2023, the Charity held money as agent on behalf of Bath Unlimited, a community interest initative in which Mr D Hobdey is a director. A total of £5,000 was received during the year, with a balance remaining of £9,340 at 31 December 2023 (2022: £4,340). Bath Unlimited uses 1 Queen Square as its Registered Office for which there is no charge and used the House for events and meeting space for which £nil (2022:£667) of invoices were raised by the trading company.

There were no transactions with the Trustee or other related parties during the year, other than those disclosed above (2022: none). No balances were outstanding to or from related parties at the year-end (2022: none).

Notes to the Financial Statements

10. Intangible assets

Consolidated and charity	Consolidated 2023 £'000	Charity 2023 £'000
Cost		
At 1 January 2023	140	119
Additions	8	8
Disposals	-	-
At 31 December 2023	148	127
Accumulated amortisation		
At 1 January 2023	101	94
Charge	17	10
Eliminated on disposal	-	-
At 31 December 2023	118	104
Net book value		
At 31 December 2023	30	23
At 31 December 2022	39	25

Notes to the Financial Statements

11. Tangible assets - freehold property

Consolidated	City centre almshouses £'000	Combe Park almshouse £'000	Operational properties £'000	Magdalen chapel £'000	Total £'000
Cost/valuation					
At 1 January 2023	8,926	3,749	2,891	747	16,313
Additions	50	-	-	-	50
Disposals	-	-	-	-	-
At 31 December 2023	8,976	3,749	2,891	747	16,363
Accumulated depreciation					
At 1 January 2023	3,988	332	219	65	4,604
Charge for the year	55	37	30	7	129
At 31 December 2023	4,043	369	249	72	4,733
Net book value					
At 31 December 2023	4,933	3,380	2,642	675	11,630
At 31 December 2022	4,938	3,417	2,672	682	11,709

Charity	City centre almshouses £'000	Combe Park almshouse £'000	Operational properties £'000	Magdalen chapel £'000	Total £'000
Cost/valuation					
At 1 January 2023	8,937	3,749	2,891	747	16,324
Additions	50	-	-	-	50
Disposals	-	-	-	-	-
At 31 December 2023	8,987	3,749	2,891	747	16,374
Accumulated depreciation					
At 1 January 2023	3,987	332	219	65	4,603
Charge for the year	55	37	30	7	129
At 31 December 2023	4,042	369	249	72	4,732
Net book value					
At 31 December 2023	4,945	3,380	2,642	675	11,642
At 31 December 2022	4,950	3,417	2,672	682	11,721

Notes to the Financial Statements

12. Other tangible fixed assets

Consolidated	Office equipment £'000	Fixtures and fittings £'000	Computer systems £'000	Total £'000
Cost				
At 1 January 2023	28	735	63	826
Additions	-	301	16	317
Disposals	-	-	-	-
At 31 December 2023	28	1,036	79	1,143
Accumulated depreciation				
At 1 January 2023	28	461	24	513
Charge for the year	-	80	11	91
Eliminated on disposal	-	-	-	-
At 31 December 2023	28	541	35	604
Net book value				
At 31 December 2023	-	495	44	539
At 31 December 2022	-	274	39	313

Charity	Office equipment £'000	Fixtures and fittings £'000	Computer systems £'000	Total £'000
Cost				
At 1 January 2023	28	502	47	577
Additions	-	287	16	303
Disposals	-	-	-	-
At 31 December 2023	28	789	63	880
Accumulated depreciation				
At 1 January 2023	28	418	19	465
Charge for the year	-	35	7	42
Eliminated on disposal	-	-	-	-
At 31 December 2023	28	453	26	507
Net book value				
At 31 December 2023	-	336	37	373
At 31 December 2022	-	84	28	112

Notes to the Financial Statements

13. Financial and property investments

Consolidated	Investment property £'000	Listed investments £'000	Total £'000
Market value at 1 January 2023	62,798	43,641	106,439
Additions to investments at cost	94	14,733	14,827
Disposal proceeds net of transation costs	(12,694)	(6,924)	(19,618)
Gains	1,551	1,876	3,427
Movement in cash held by brokers for reinvestment	-	15	15
Market value at 31 December 2023	51,749	53,341	105,090

All investments are carried at their fair value. Investments in equities and fixed interest securities are all traded on public markets. The fair value for quoted investments is the market value, using the bid price. The charity's commercial investment properties were re-valued by Jones Lang LaSalle Limited, Chartered Surveyors, on the basis of discounted cash flow at 31 December 2023. The value of the residential properties is based on the revaluation of the portfolio by Jones Lang LaSalle Limited on a market value basis as at 31 December 2023. In 2022, however, a decision had been made to dispose of three blocks of residential property as investment portfolio assets. The fair value of these assets was determined on the basis of market value on the assumption of a sale of a whole portfolio with tenants in situ, and not on an individual sale with vacant possession basis (as in previous years and in 2023) as this was deemed to better reflect the fair value to the charity as at 31 December 2022. The impact of this change in accounting estimate was a decrease in the asset value of £4,954,000 which was shown as a loss on investment value in the SOFA in 2022. The remaining residential investment properties were re-valued by Philip Jennings, Chartered Surveyors on a market value approach based on vacant possession and individual sale as at 31 December 2022. The sale did not occur and the decision was made to sell the properties with vacant possession on a piecemeal basis.

Social investments also form part of the charity's investments (note 14).

Charity	Trading subsidiary £'000	Investment property £'000	Listed investments £'000	Total £'000
Market value at 1 January 2023	50	62,798	43,641	106,489
Additions to investments at cost	-	94	14,733	14,827
Disposal proceeds	-	(12,694)	(6,924)	(19,618)
Gains	-	1,551	1,876	3,427
Movement in cash held by brokers for reinvestment	-	-	15	15
Market value at 31 December 2023	50	51,749	53,341	105,140

Notes to the Financial Statements

13. Financial and property investments (continued)

The charity owns the entire share capital of St John's Hospital Trading Company Ltd, a company incorporated in England and Wales - company registration number 08632453. The share capital of St John's Hospital Trading Company Ltd comprises 50,000 ordinary shares of £1, which are all wholly owned by the charity. The principal activities of St John's Hospital Trading Company Ltd are to manage serviced apartments and coworking space.

The trading results of the subsidiary were as follows:	**2023 £'000**	**2022 £'000**
Turnover	805	598
Cost of sales	-	-
Gross profit	805	598
Administrative expenses	(57)	(43)
Operational expenses	(759)	(866)
Other income	-	-
Operating (loss)/profit	(11)	(311)
Interest payable	(43)	(24)
(Loss)/profit before tax	(54)	(335)
Taxation	-	-
(Loss)/profit after tax	(54)	(335)

The aggregate of the assets, liabilities and funds as at 31 December was:	**2023 £'000**	**2022 £'000**
Total assets	608	481
Total liabilities	(1,079)	(899)
Shareholders' funds	(471)	(418)

The charity also owns the entire share capital of St John's Hospital Design and Build Ltd, a company incorporated in England and Wales - company registration number 15213021. The share capital of St John's Hospital Design and Build Ltd comprises 1 ordinary share of £1, which is wholly owned by the charity. This company is has not traded and is currently dormant but was established to act as a design and build company for the future construction projects and so may trade in the future.

14. Social investments

Consolidated and charity	**2023 £'000**	**2022 £'000**
Mixed motive investments:		
Receivable in more than one year	68	67
Receivable in less than one year	-	32
	68	99

The mixed motive investment above represents a new loan issued on 1st December 2023 to a single party. This loan replaced two concessionary loans to that same single party drawn down together on 28th October 2015. Each of the loans is secured by a legal charge over freehold property and charged interest at a rate of 4%.

At the year end there were no amounts committed but undrawn (2022: nil), and no amounts that had been approved subject to the agreement of terms (2022: nil).

Notes to the Financial Statements

15. Debtors

	2023 £'000	2022 £'000
Consolidated		
Trade debtors	258	579
Prepayments and accrued income	869	592
Taxation and social security	-	-
Other debtors	7	9
	1,134	1,180
Charity		
Trade debtors	216	441
Prepayments and accrued income	796	573
Other debtors	7	9
Amounts owed by subsidiary	1,040	772
	2,059	1,795

Included within consolidated prepayments and accrued income are lease incentive adjustments of £294,000 (2022: £163,000), of which £257,000 are due in more than one year (2022: £211,000). Within amounts owed by the subsidiary is £475,000 of a loan (2022: £475,000) and £8,000 of interest accruing against this (2022: £0). The loan agreement was entered on an arms length basis at a market rate of interest (4.2% above base) and the Charity has taken a charge over the assets of the trading company as security. The loan agreement provides for up to £480,000 to be drawdown on loan which is repayable in equal instalments over 8 years from September 2022. One repayment was made of £5,000 in the year but the remaining loan repayments have been deferred. At the year end £140,000 of the loan was due in more than one year. Also included within amounts owed to subsidiary are prepayments and accrued income of £72,000 (2022: £200,000 reclassified from prepayments and accrued income). Offsetting trade debtors is a bad debt provision of £154,000 (2022: £114,000).

Notes to the Financial Statements

16a. Creditors: amounts falling due within one year

	2023	2022
Consolidated	**£'000**	**£'000**
Bank overdrafts	2,038	4,465
Loans repayable upon demand	173	202
Trade creditors	370	293
Accruals and deferred income	467	537
Taxation and social security	118	75
Other creditors	118	84
	3,284	5,656

Charity	**£'000**	**£'000**
Bank overdrafts	2,038	4,466
Loans repayable upon demand	173	202
Trade creditors	359	199
Accruals and deferred income	469	525
Taxation and social security	124	79
Other creditors	86	63
	3,249	5,534

The bank overdrafts are repayable on demand and reviewed annually and relate to two facilities. One is a facility of up to £3m secured against those investment assets of the Charity managed by Evelyn Partners. These assets were valued at £28.7m at the year end with borrowing against this of £2.038m at 31 December (2022: £2.030m). The second overdraft facility of up to £1.5m was not in use at year end (2022: £2.337m) but was available for use and is secured against investment properties valued at £3.57m as at 31 December 2023. The loans repayable on demand are amounts due to lifetime leasehold tenants for their leases which is repayable when the properties are vacated.
Included within other creditors is £29,000 (2022: £14,000) representing the amount held as agent for a small unincorporated voluntary organisation called Bath Woman's Fund and £9,360 (2022: £4,000) for Bath Unlimited for which St John's Foundation has agreed to administer funds and act as an agent. The monies in represented grants totalling £10,000 from the local authority less two payments made on behalf of Bath Unlimited, including one to the trading company for room hire. No other amounts were received or paid out in the year in relation to these funds. In the first quarter of 2024, a further £5,000 was received and all monies were paid across to Bath Unlimited and the agency arrangement ceased.

Deferred income movement:

	Charity	Group
	£'000	£'000
Balance at 1 January 2023	365	365
Amount released in the year	(1,981)	(1,789)
Amount deferred in the year	1,916	1,675
Balance at 31 December 2023	300	251

Deferred income is made up of rental income received in advance of the accounting period to which it relates.

16b. Creditors: amounts falling due after more than one year

	2023	2022
Consolidated and charity	**£'000**	**£'000**
Loans repayable upon demand	1,560	1,820

Notes to the Financial Statements

17a. Invested endowment fund

The permanent invested endowment fund represents the funds of the charity derived from gifts and legacies received since its foundation. It is to be held and maintained in perpetuity. Investment income and surpluses or deficits arising on the sale or revaluation of investment properties and investments are transferred to the permanent endowment fund. Expenses incurred in the administration or protection of the endowment investments are charged to the fund. From 1st January 2013, the Trustee has adopted the use of total return accounting in relation to its investment.

Total return investment

The investment power of total return was granted by the Charity Commission on 25th September 2012. The power permits the Trustee to invest permanent endowments to maximise total return and to make available an appropriate portion of the total return for expenditure each year. Until this power is exercised in full, that portion of the total return which is in excess of the amount required to preserve the value of the permanent endowment, shall be an 'unapplied total return' and remain as part of the permanent endowment. The Trustee has used the indexed values of the permanent endowment at 1st January 1995 to represent the 'preserved value' of the original gift.

Under specific powers in the governing Scheme, the Trustee monitors the investment performance in terms of maintaining the purchasing power of the core endowment against inflation, while enabling the charity to commit to a long-term spending rate of 4% of the three-year average value of the permanent endowment.

The amounts set as opening unapplied return, together with the amount allocated to income in the year from the unapplied total return, and the amount of unapplied total return allocated to capital in the reporting period (in order to maintain the real value of the original gift) are disclosed below.

Notes to the Financial Statements

17a. Invested endowment fund (continued)

Consolidated	Permanent endowment fund £'000	Unapplied total return £'000	Total £'000
At 1 January 2022	45,380	64,883	110,263
Movements in the reporting period:			
Investment income	-	3,851	3,851
Realised and unrealised gains	-	(12,953)	(12,953)
Less: property operational and investment management costs	-	(282)	(282)
Total return for the year	-	(9,152)	(9,152)
Unapplied total return allocated to income	-	(3,521)	(3,521)
CPI Uplift	4,765	(4,765)	-
	4,765	(17,438)	(12,673)
At 1 January 2023	50,145	47,213	97,358
Movements in the reporting period:			
Investment income	-	3,892	3,892
Realised and unrealised losses	-	3,430	3,430
Less: property operational and investment management costs	-	(187)	(187)
Total return for the year	-	7,135	7,135
Unapplied total return allocated to income	-	(4,500)	(4,500)
CPI uplift	2,006	(2,006)	-
	2,006	629	2,635
At 31 December 2023	52,151	47,842	99,993

The above figures exclude the functional endowment fund (note 17b) and the Roxburgh endowment fund (note 18).

Notes to the Financial Statements

17a. Invested endowment fund (continued)

Charity	Permanent endowment fund £'000	Unapplied total return £'000	Total £'000
At 1 January 2022	45,380	65,088	110,468
Movements in the reporting period:			
Investment income	-	4,083	4,083
Realised and unrealised gains	-	(12,953)	(12,953)
Less: property operational and investment management costs	-	(282)	(282)
Total return for the year	-	(9,152)	(9,152)
Unapplied total return allocated to income	-	(3,521)	(3,521)
CPI uplift	4,765	(4,765)	-
	4,765	(17,438)	(12,673)
At 1 January 2023	50,145	47,650	97,795
Movements in the reporting period:			
Investment income	-	3,999	3,999
Realised and unrealised losses	-	3,428	3,428
Less: property operational and investment management costs	-	(187)	(187)
Total return for the year	-	7,240	7,240
Unapplied total return allocated to income	-	(4,500)	(4,500)
CPI uplift	2,006	(2,006)	-
	2,006	734	2,740
At 31 December 2023	52,151	48,384	100,535

The above figures exclude the functional endowment fund (note 17b) and the Roxburgh endowment fund (note 18).

Notes to the Financial Statements

17b. Functional endowment fund

The functional endowment is that part of the endowment which is held for operational, rather than investment purposes, and is therefore not included in total return calculations. The assets which make up the functional endowment are those which were almshouses at the time the 2012 Scheme was approved (Chapel House, Fitzjocelyn / John Wood House, Rosenberg House, Chandos House, Combe Park), and Magdalen Chapel. The functional endowment also includes £1.873m (2022: £1.924m) set aside for future almshouse provision under the 2017 Scheme when the change of use of Chandos and St Catherine's was approved.

Charity & Consolidated	**2023**	**2022**
	£'000	**£'000**
Balance brought forward	12,306	12,420
(Deficit)	(114)	(114)
Transfers	-	-
Balance carried forward	12,192	12,306

18. Roxburgh endowment fund

Consolidated and charity	**2023**	**2022**
	£'000	**£'000**
Balance brought forward	132	140
Valuation (losses)	(3)	(8)
Balance carried forward	129	132

The Roxburgh permanent endowment fund has been shown separately in these notes as, unlike the rest of the charity's endowed funds, the income from this fund has a restricted purpose: to provide relief for single woman over the age of 50 in the Bath area.

Notes to the Financial Statements

19. Unrestricted fund

The unrestricted fund is the retained annual surplus of investment income over the deficit on the provision of almshouse accommodation, the cost of grants and community outreach activities. Surpluses are available at the discretion of the Trustee for maintenance of the permanent endowment and other purposes to achieve the charitable objectives of the charity.

	2023	2022
Consolidated	**£'000**	**£'000**
Operating result	(4,665)	(4,586)
Total return transfer from permanent endowment fund	4,500	3,521
Transfer of functionally endowed asset additions	-	-
Net movement in the year	(165)	(1,065)
Balance brought forward	2,571	3,636
Balance carried forward	2,406	2,571
Charity		
Operating result	(4,716)	(4,478)
Total return transfer from permanent endowment fund	4,500	3,521
Transfer of functionally endowed asset additions	-	-
Net movement in the year	(216)	(957)
Balance brought forward	2,618	3,575
Balance carried forward	2,402	2,618

Notes to the Financial Statements

20. Restricted funds

Consolidated and charity (as at 31 December 2023)	Joseph Matthews Foundation £'000	Roxburgh £'000	Feeding Britain £'000	Various funds £'000	Total £'000
Balance brought forward	23	14	1	-	38
Income	-	8	1	26	35
Expenditure	(13)	(4)	(1)	(26)	(44)
Balance carried forward	10	18	1	-	29

Consolidated and charity (as at 31 December 2022)	Joseph Matthews Foundation £'000	Roxburgh £'000	Feeding Britain £'000	Infection Control Fund £'000	Total £'000
Balance brought forward	40	12	-	-	52
Income	-	7	2	1	10
Expenditure	(17)	(5)	(1)	(1)	(24)
Balance carried forward	23	14	1	-	38

Roxburgh
The restricted fund for Roxburgh relates to net income received from the Roxburgh endowment (see Note 18 above)

Joseph Matthews Foundation
A restricted legacy was provided to the charity to support St John's in community outreach activities for those in Bath over 75 years of age.

Various Funds
During the year the charity received donations for specific resident meals and activities which were spent in year. These totalled less that £1,000. Bath & North East Somerset Council also paid £25,000 towards a Big Education project which was also spent in year.

21. Transfers

	Endowment fund £'000	Unrestricted fund £'000
Transfer of unapplied total return to income	(4,500)	4,500

Notes to the Financial Statements

22. Analysis of net assets between funds

Consolidated As at 31 December 2023	Invested endowment fund £'000	Functional endowment fund £'000	Roxburgh endowment fund £'000	Restricted fund £'000	Unrestricted fund £'000	Total £'000
Tangible fixed assets	-	10,319	-	-	1,850	12,169
Intangible fixed assets	-	-	-	-	30	30
Investments	99,925		129	-	5,035	105,090
Social investments	68	-	-	-	-	68
Cash and bank balances	-	1,873	-	29	(800)	1,102
Other current assets and liabilities	-	-	-	-	(3,710)	(3,710)
	99,993	12,192	129	29	2,406	114,749

Consolidated As at 31 December 2022	Invested endowment fund £'000	Functional endowment fund £'000	Roxburgh endowment fund £'000	Restricted fund £'000	Unrestricted fund £'000	Total £'000
Tangible fixed assets	-	10,382	-	-	1,640	12,022
Intangible fixed assets	-	-	-	-	38	38
Investments	97,258		132	-	9,049	106,439
Social investments	99	-	-	-	-	99
Cash and bank balances	-	1,924	-	38	(1,860)	102
Other current assets and liabilities	-	-	-	-	(6,296)	(6,296)
	97,358	12,306	132	38	2,571	112,404

Notes to the Financial Statements

23. Charitable and capital commitment

Capital expenditure commitments:	2023	2022
	£'000	£'000
Legal commitment to build almshouses	1,873	1,924
	1,873	1,924

The legal commitment with the Charity Commission to build almshouses is also reflected in the functional endowment fund (note 17b).

The charity acts as lessor for its commercial and residential investment property portfolios and is contractually entitled to receive future income. The future minimum lease payments under non-cancellable operating leases expected to be received by the charity and Group are due as follows:

	2023	2022
	£'000	£'000
Within one year	1,377	1,882
Between one and five years	3,229	5,109
After five years	12,266	11,772

The charity leases parking spaces for staff using the head office. The future minimum lease payments under non-cancellable operating leases by the charity and Group are due as follows:

	2023	2022
	£'000	£'000
Within one year	34	34
Between one and five years	5	39

At the year end the charity had the following conditional grant-making commitments:

Within one year	1,164	1,021
Between one and five years	50	50

24. Pensions

The charity operates a defined contribution scheme for the benefit of the employees. During the year £149,000 (2022: £143,000) was payable into the defined contribution scheme. The amount due at the year end was £18,000 (2022: £17,000). Included within 'pension costs' in note 8 are pension scheme management fees-payable of £14,000 (2022: £14,000).

ST. JOHN'S FOUNDATION EST. 1174

England & Wales - Charity number 201476

Accounts

ST. JOHN'S
FOUNDATION EST. 1174



Annual Report

And consolidated financial statements for
the year ended 31 December 2022

REGISTERED CHARITY 201476

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TRUSTEES' ANNUAL REPORT

The Trustees present their annual report and consolidated financial statements. This includes the financial results of St John's Foundation Est. 1174 ('St John's' or 'the Charity') and its subsidiary, St John's Hospital Trading Company Ltd for the year ended 31 December 2022. This report is prepared in line with the Charities Act 2011 and SORP (FRS 102).

As one of the UK's oldest and most respected community charities, St John's Foundation supports people in need throughout the Bath and North East Somerset area. The objects of the Charity comprise the provision of almshouse accommodation and the relief of those who are in need by reason of age, ill-health, disability, financial hardship or other disadvantage within Bath and the surrounding area. Whilst primarily an almshouse charity, St John's also focuses support on young people aged 0-12 years, adults over the age 55, and people experiencing financial crisis.

Understanding that we need to work together to ensure everyone has fair and equal opportunity, we take a holistic approach to our charitable work. We choose to work with local partner organisations for their specific knowledge and expertise, as well as their ability to help implement our initiatives and programmes to support positive social change.

We invest our funds wisely, to maximise returns and generate the income we require to ensure we can implement our charitable activities, now and long into the future. This financial independence enables us to invest in forward-thinking social initiatives and partnership programmes, as well as honouring our founding principles of offering high-quality almshouse accommodation.

Founded in Bath on Christian principles by Bishop Reginald Fitzjocelyn in 1174, St John's Hospital, now St John's Foundation, is – and always has been – a thought-leader and a pioneer, often challenging the status quo, identifying where systems in society are broken or failing, and seeking solutions to fix them.

To extend the reach and social impact of our charitable work, we share our experiences and learning with like-minded organisations throughout the UK and beyond. It is our duty as a charity supporting our local community to remove inequalities from society.

At the beginning of 2020, St John's launched an ambitious ten-year strategy with the vision for our funding activities of ensuring every child in Bath and North East Somerset grows up to live a happy, healthy, educated life.

This change in our strategic direction moved us away from being a generalist funder and saw us focus our efforts and resources on our Foundation Fund. Extensive research was undertaken to determine the issues effecting children within our communities – specifically, why a disproportionately wide educational attainment gap exists in Bath and North East Somerset. The findings of our research influenced our focus, and our manifesto aims, which are:

- ensuring all children have access to safe places and nutritious food;
- providing additional support with foundational reading, writing, oracy, and mathematics; and
- the provision of support for emotional and behavioural development.

The Foundation Fund sits alongside St John's almshouse provision and older adults' service. In 2021 our former Independent Living Service and Chaplaincy were amalgamated to create the Good Living Service. The overarching ambition of this service is to provide opportunities for people to live purposeful and fulfilling lives in their later years.

No matter a person's age, most people want to make their own decisions, support themselves financially and take care of their own physical and emotional needs throughout their adult lives. Conscious that our previous service was too paternalistic, the Good Living Service encourages independent living, and signposts to external support services where necessary.

All of us want the ageing process and living on one's own to be a positive experience, offering ongoing opportunities to enjoy life. In creating the Good Living Service, our mission was to make this a reality.

St John's also offers a lifeline for those who have reached a point of crisis in their lives. Through our Crisis Programme, we provide financial support to families and individuals in Bath and North East Somerset who are struggling to make ends meet. We fund the most essential needs, such as beds, white goods, furniture, counselling, debt support and basic employment skills and training.

Every aspect of St John's work is built upon our values of trust, kindness and courage and is inspired by our purpose: To change lives. For good.



OVERVIEW OF 2022

We received the first academic year's report from our evaluation partner ImpactEd, for the Primary Empowerment Programme. Whilst it is early in the context of our 10-year strategy, the report and anecdotal evidence from teachers and professionals show the programme is starting to make real and lasting change for under-served young people.

We were also honoured with a visit from our patron, HRH The Former Duchess of Cornwall, in February. The Duchess is passionate about improving oracy and literacy in children, as well as championing women's rights. Her visit comprised a trip to Roundhill Primary School to see the work of the Primary Empowerment Programme, and then to VOICES, a domestic abuse charity supported by St John's.

Our plan to diversify our investment portfolio, which includes reducing reliance on direct property holdings, has progressed at pace. The sale of our properties will rebalance our investment portfolio, ensuring St John's receives the returns required to continue delivering charitable work for a further 850 years.

Our Trading Company officially opened the House of St John's in February 2022. Following a successful year of events and a growing membership base, the House won the Bath Life Property 'One to Watch' Award, in November.



CHARITABLE DELIVERY AND IMPACT

The Good Living Service

Almshouses

2022 was an extra-ordinary year for the Good Living Service; we sadly said goodbye to several residents and welcomed 15 new members into the alms-community.

Emergence from the pandemic saw many of the older adults we work with suffering with feelings of isolation and loneliness. However, as we progressed through the year, we saw their confidence and their engagement across our alms-community returning.

Activities and advice service

The Good Living service ran a variety of 57 active learning classes in 2022. These classes were attended by over 370 older adults from across Bath and North East Somerset.

Partnership working

A successful relationship with the community group BathShed was established. The group was seeking a new venue to run classes for members to learn carpentry and other skills. As well as being a class for older adults to finesse their skills, it also offers a safe space for members to talk through problems and socialise. We have been in the position to offer the group a permanent residence in our maintenance workshop and the group is thriving. As well as meeting weekly, the group holds monthly events including demonstrations from professional upholsterers.

We have been working alongside the University of Bath on a bid for funding for two Active Ageing projects. If successful, these projects will enable the university to work with our alms-residents to develop strategies for older people to live independently for longer.

Working with Connecting Generations, students from the University of Bath offer free technology support to our alms-residents, who are encouraged to bring their phones, iPads, laptops and devices for impartial help and advice. This has been a successful endeavour with residents and students enjoying the opportunity to socialise with each other.

Through a donation of £20,000, the Good Living Service was able to support the set-up of the Ageing Well Network in BaNES. The Good Living Service has been working with AGE UK, Citizen's Advice, BaNES Council, NatWest, and other bodies to support our residents and the public to find out about benefits and entitlements, scams, care and support, and other much needed information they may have difficulty accessing.

The Foundation Fund

We established the Foundation Fund in 2020 to level the playing field across Bath and North East Somerset and help provide all children with the same chances to live happy healthy and educated lives. Since the launch, we have worked in partnership with other organisations and funded programmes to provide children aged 0-12 with the best opportunities to contribute to our community for generations to come.

Early Years

In September 2022 the Early Nurture Service (ENS) was launched to complement the work of the Language for Life project in local pre-school settings. ENS is run by the Bath based organisation Brighter Futures which supports children with their social, emotional, and mental health needs. The number of children being identified as having significant mental health concerns across our region is increasing year on year. Brighter Futures is working with Early Years practitioners to enable them to meet this demand. An initial pilot project will run until July 2024.

Launched in 2021, the Language for Life project has proved very successful; hundreds of pre-school children are being assessed for speech and language needs across 25 settings. A red, amber, green system is used to identify the level of understanding a child has against a national benchmark. Many children coming through the programme are progressing well, with children identified within the pupil premium band showing the biggest improvements.

The Perinatal Emotional Wellbeing Partnership (PEWP) is continuing to improve the mental health of new parents across Bath and North East Somerset. Many of the projects are reporting an increase in complex cases, that must be referred to specialist services. Funding has been agreed until 2024.

Nutritious Food

Four programmes supporting access to affordable food and services across our region were also funded, these were:

- Bath and North East Somerset Council – funding for the role of public health officer in relation to food insecurity.
- Bath and North East Somerset Council – supporting the local authority to carry out bi-annual health and wellbeing surveys across all local primary and secondary schools.
- FareShare South West – supplying nutritious food to many affordable food projects run by charities across Bath and North East Somerset.
- Hope House Surgery – a new Community Centre in Radstock this is a partnership between the local GP surgery, the local authority and voluntary sector organisations. St John's funded part of the community kitchen.

In the last quarter of 2022, the Board of Trustees agreed to release funding to provide all children across the seven Primary Empowerment Schools, who are not eligible for free schools meals, a hot meal every day at school. This initiative went live in January 2023 and will run until the Primary Empowerment Programme closes in July 2024.

Primary Empowerment Programme

The Primary Empowerment Programme entered its second year of a three-year pilot in September 2022. The delivery partners working across the seven schools are now fully embedded and reporting strong relationships with each school . Several of the schools were able to take up further provision offered through the Primary Empowerment Programme.

The total cost of the Primary Empowerment Programme in 2022 was £750,248. This pilot is due to end in July 2024.

The Primary Empowerment Schools are:

- Castle Primary School, Keynsham
- Roundhill Primary School, Southdown, Bath
- St Keyna Primary School, Keynsham
- St Martin's Garden Primary School, Odd Down, Bath
- St Mary's School, Writhlington
- St Michael's Junior Church School, Twerton, Bath
- Twerton Infants School, Twerton, Bath

Big Education

St John's partnered with Bath and North East Somerset Council to embark on a joint project to support schools across the region with the persistent attainment gap. The aim of this project is to improve educational outcomes for under-served pupils.

Big Education, an organisation with extensive experience in working with education providers to effect change, was successfully appointed as project lead. The venture will see Big Education analyse local needs and data for different approaches adopted by schools across the region. This will help formulate a new strategy to deliver the best outcomes for under-served pupils across the region.

A joint report detailing findings on the disadvantage gap in Bath and North East Somerset will be published early in May 2023. Once published, Big Education will work with Multi-Academy Trusts to implement the report's recommendations.

This is a three-year project with four separate phases:
Phase 1: Data and Discovery
Phase 2: Action research and development of best practice
Phase 3: Recommendation and next steps
Phase 4: Impact Evaluation

ImpactEd

In December our external evaluation partner ImpactED presented a report on the educational outcomes achieved in the first year of the Primary Empowerment Programme. The report highlighted the significant progress made in the seven schools, with results that were favourable compared to national results. Given the impact of the pandemic and the huge pressures placed on the schools during this time, the improvements shown for pupil premium pupils were positive.

The number of pupil premium children moving closer to their age-related expectations is increasing and children across the early years settings who require additional speech and language support are now more likely to be identified and helped, prior to transitioning into reception. The number of pupil premium children receiving emotional and behavioural support suggests that this targeted intervention is working.

2023 will see a review of the evaluation framework and an adapted annual report.

Crisis Programme

In 2022, 551 applications to the Crisis Programme were received. 400 of them were awarded support totalling £243,400 of the overall £320,000 budget. Of these applications, 198 supported single people, 134 were to support families who had children under the age of 12 years old and the remaining 68 were for families with children over 12 years old and couples without dependents.

The total number of applications continued to remain below the levels seen prior to the pandemic, partly due to Bath and North East Somerset Council's Welfare Support Scheme having an increased legacy budget from the pandemic and in response to the cost-of-living crisis. However, there was a noticeable increase in application numbers towards the end of the year, coinciding with Welfare Support scaling back on grant allowances, to a level more consistent with 2020.

Project funding

The third year of funding was released to continue the provision of two debt caseworkers based at Bath and North East Somerset Citizens Advice.

The School Kit Project (SKiP) was awarded £5,000 to continue to provide under-served children with school uniforms.

Funding totalling £30,000 was awarded to Curo's pilot furnished tenancy programme – Cosy Start. This programme will ensure 20 homes will no longer be let as 'empty shells' but instead will be housed with white goods and furniture.

This programme will target those most in need, namely care leavers and people moving in to their first tenancy from temporary accommodation or homelessness. Evidence provided by End Furniture Poverty (EFP) has highlighted the harm that living without sufficient furniture can have on an individual or family's mental health and self-esteem, as well as showing that moving into a furnished tenancy results in a reduced likelihood of people getting into debt.

Financial Wellbeing

As part of the drive to maximise the impact of the Crisis Programme, the team is focusing on mapping out the current financial support being delivered across the region and seeking opportunities to collaborate and enhance the offer of support.

Property and investments

When St John's launched its current strategy in February 2020, a strategic asset review was undertaken to assess the investment portfolio allocation. This concluded that the Charity should reduce its reliance on property investments.

This will enable St John's to re-invest the funds in other classes of investment assets. It will help achieve a more balanced mix of investments and therefore generate the income St John's requires to continue implementing its ambitious programme of charitable activities, as well as maintaining the financial health of the Charity for future generations.

In late 2022, the Charity commenced a programme of marketing selected properties for sale – this process will continue over the next five years.



PLANS FOR THE FUTURE

Over the seven years remaining of its current ten-year strategy, St John's will manage its investments to meet the aims of:

- Building communities where every child under 12 is supported to grow into a healthy, happy, and educated member of the community, courtesy of the Foundation Fund.
- Enabling older adults to live well independently, courtesy of the Good Living Service.
- Providing funding for individuals in crisis, courtesy of the Crisis Programme.

The length of St John's tenure is testament to the Charity's ability to move with the times and continue to deliver a wide range of services that address the changing needs of our community. The Charity will continue to review the impact of the Foundation Fund and will continue to work with its partners to deliver our aims and shape future work.



The Trading Company is 100% owned by the Charity. Revenue is generated by the Trading Company through the letting of serviced apartments at St Catherine's Hospital and the provision of serviced offices and event space at the House of St John's. The Trading Company is a social enterprise which aims to gift as much of its taxable profits to the Charity as possible. Ultimately, it aims to gift 100% of profits to the Charity.

St Catherine's Hospital

Originally part of the almshouse provision, St Catherine's narrow doorways and hallways made it unsuitable for older people with limited mobility. Therefore in 2018, the Grade II listed building was transformed into ten luxury apartments.

It is situated just behind Bath's Thermae Spa and only 50 metres from the Roman Baths. The ten one-bedroomed maisonettes and apartments all face into the original courtyard garden, creating a truly tranquil sanctuary in the heart of the city of Bath.

House of St John's

No. 1 Queen Square was gifted to St John's in 1953 and the building was let as offices for more than 60 years. In 2019, St John's began an extensive renovation programme on the property, which is Grade 1 listed.

Working with local experts in the field, St John's completed its sympathetic renovation at the end of 2021. Once returned to its former glory, the building was named the House of St John's and opened its doors to Bath in February 2022. It operates as a versatile workspace, powered by social purpose. It houses a variety of private offices, co-working lounges, dedicated desks, meeting rooms and a stylish event space.

In 2022, the House of St John's has sold all but one of its private offices; all dedicated desks became fully occupied, 45 co-working memberships were sold and almost 200 businesses booked meeting rooms.

As the House of St John's charity partner all profits are gifted to St John's, specifically to be used for the Foundation Fund.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Legal structure

St John's Hospital Trustee Limited

COMPANY

Board of Directors ('the Trustees')

St John's Foundation Est. 1174 (the Charity) is controlled by a trustee company, St John's Hospital Trustee Limited (registration 08188066). The trustee company has a board of unpaid directors, who are effectively the trustees of the Charity.

St John's Foundation Est. 1174

CHARITY

The Charity is an unincorporated Charity registered in England and Wales (reference 201476). It is governed by a Charity Commission Scheme dated 25 September 2012 as amended on 8 February 2017.

St John's Hospital Trading Company Limited

TRADING COMPANY

St John's Hospital Trading Company Limited (registration 08632453) is the trading arm of the Charity and is a wholly owned subsidiary.

GOVERNANCE

The Charity Governance Code

The Code (published in 2017) sets out seven principles of good governance, including:

- Organisational Purpose
- Leadership
- Integrity
- Decision making, risk and control
- Board effectiveness
- Equality, diversity and inclusion
- Openness and accountability

The Trustees recognise that effective governance is essential in enabling the Charity to meet its aims and have reviewed the Charity's governance against the Code. The findings of this review were that St John's has an effective, well-governed board and that the new strategy underpins many elements that are fundamental to the spirit of the Code including transparency, collaboration and strategic drive. There were no significant concerns or risks identified as part of the review but in line with continuous improvement a list of recommendations has been adopted for implementation. All Trustees have signed a Code of Conduct based upon the Charity Governance Code. Our current governance arrangements are set out in the report.

TRUST

COURAGE

KINDNESS

HOW OUR VALUES SUPPORT EFFECTIVE GOVERNANCE

We embrace our organisational values of Courage, Kindness and Trust and apply these values to everything we do and in how we treat one another.

The breadth of St John's work necessitates a diverse workforce and each one of the Trustees and the employees help to make our organisation an uplifting and cohesive place to work.

We actively encourage the sharing of ideas and promote continuing personal development.



GOVERNANCE STRUCTURE

In line with the Articles of Association of St John's Hospital Trustee Limited ('the Articles'), the Board of Trustees must compromise between 10 and 14 members. Trustees are each appointed for a term of three years and may be re-appointed to serve for up to nine years.

Decision-making

The Board held four formal meetings and two development days during 2021 to determine strategy, approve financial plans and consider key policies. The Board has delegated authority for certain decisions to committees, which are made up of Trustees with relevant experience and/or qualifications. Professional advisors attend these committees when necessary to add their insight.

The Board and the Committees review their performance annually. This is carried out through discussion and has been supported using surveys to gain insight into trustee opinions on effectiveness. An appraisal of the Chair is conducted regularly by the Senior Independent trustee with the next one concluding in 2023. As one of the recommendations arising from the Corporate Governance Code review, the trustees are considering whether to undertake external evaluations of performance and how individual trustee performance will be reviewed in the future.

COMMITTEES

Committee	Purpose
Charitable Delivery and Impact (CDIC)	To assure the Board that there is an adequate system in place to measure strategic charitable delivery and impact of the organisation. While CDIC's primary function is assurance, its purpose also includes supporting continuous improvement in the way impact is measured and demonstrated.
Audit and Risk Committee (ARC)	To assure the Board that there is an adequate system of risk management in place for the activities of the Charity and which ensures effective delivery of all its services, including compliance with all relevant regulations that relate to the Charity's activities.
Investment Committee (INV)	To recommend the investment strategy for the Charity and to assure the Board that there is an adequate system of processes and controls in place to ensure all the Charity's investment portfolios, including the property portfolio are appropriately managed to deliver the agreed investment objectives.
Remuneration & Nominations Committee (REM)	To oversee the trustee appointment process and to ensure that St John's has effective remuneration, nomination and Board recruitment policies and procedures in place, which are fair and transparent, adhere to all relevant legislation and support the strategy, objectives and values of the Charity.

Committee membership, along with a list of professional advisors, is available in the 'Legal and administrative information' and 'Advisors section below.

The Trustees have delegated day-to-day management of the Charity to the Executive team and the employees of St John's.

Remuneration of the Executive Team

The Remuneration and Nominations committee is responsible for setting remuneration policies for the Executive team, based on individual contributions and the prevailing market. This includes the annual salary, contractual terms of employment and any severance arrangements.

For the Charity to meet its strategic goals, it must recruit and retain highly skilled employees. The salaries offered to the Executive team are competitive both locally and within the charitable sector. The Remuneration and Nominations committee, taking advice from the Chief Executive, determines the salaries of the rest of the Executive team. An over-riding factor in salary setting is always affordability in the context of the whole organisation's budget.



TRUSTEE RECRUITMENT AND TRAINING

The Remuneration and Nominations Committee determines the appointment procedures for new trustees including how the vacancies will be advertised. This is through social media and an external recruitment agency, this ensures the Charity can recruit trustees from diverse professional backgrounds. The Remuneration and Nominations Committee agree the terms and conditions of appointment and any interview process, which will involve a minimum of 2 existing trustees. It then nominates candidates for approval by the Board.

Once appointed new trustees are provided with training through an induction pack. This includes a trustee handbook which is reviewed and updated regularly and shared with all trustees. Further training may be offered where needs are identified. Throughout the year the Charity updates trustees using seminars and briefings. A formal training schedule was adopted 2022 and opportunities for continued professional development offered on a voluntary basis to the Board. In 2023, this will continue and trustees will feed back on the skills they wish to focus on developing. A budget exists for to pay for trustees to attend individual, and skill based CPD events.



FUNDRAISING

During 2022, the Charity received zero complaints with regards to fundraising practices (2021: zero).

It does not actively fund raise but sometimes generates funds from the public through events. The primary purpose is not fund-raising but awareness raising. In 2022, some employees and members of the public sought sponsorship for events to raise funds for St John's Foundation. This is via donation pages, such as Just Giving. Due to the nature of these events no pressure is put on individuals to donate. There is very little perceived risk to vulnerable people or other members of the public in relation to fundraising. We never use an external partner to raise funds. The Trading Company will be operated as a social enterprise to raise funds for the Charity.

Communications and actions taken in relation to using the Charity to promote for commercial advantage is compliant with the Charities (Protection and Social Investment) Act 2016, an Act which the Charity is also compliant with.



Legal and Administrative Information

Registered office:	4/5 Chapel Court, Bath, BA1 1SQ
Telephone:	01225 486400
Email:	info@stjohnsbath.org.uk
Website:	www.stjohnsbath.org.uk
Charity reference:	201476
Trustee:	St John's Hospital Trustee Limited (08188066)
Patron:	HM The Queen

OUR DIRECTORS

Directors of St John's Hospital Trustee Limited ('The Trustees') & Committee Membership

	CDIC	ARC	INV	REM	
Ben Fletcher (Chair)				○	
Ashley Ayre	●	●			
Jamal Benmiloud	●				to: 24 March 2023
Harriet Bosnell		●		●	to: 23 June 2022
Moira Brennan		○		●	
Richard Brown			○		
Rev Roger Driver		●			
Jeffrey Hayes	●		●		
Nicholas Hunt			●		to: 30 March 2023
John Lakin	○				
Karen MacGregor		●			
Ken Scott			●		
Carole Stott	●				

○ Committee Chair ● Committee Member



Directors of St John's Hospital Trading Company Ltd.

Ashley Ayre	A Trustee of the Charity	
Caroline Bee	A Director of the Charity	
Jamal Benmiloud	A Trustee of the Charity	(to 24 March 2023)
Moira Brennan	A Trustee of the Charity	
Louise Harvey	A Director of the Charity	
David Hobdey	Chief Executive of the Charity	
Karen Macgregor	A Trustee of the Charity	
Ken Scott	A Trustee of the Charity	

Executive Team

David Hobdey	Chief Executive
Louise Harvey	Executive Director of the Foundation Fund
Caroline Bee	Director of Finance

To find out more about the skills and experience of our team please visit https://stjohnsbath.org.uk/about/our-team/

OUR PROFESSIONAL ADVISORS

External Auditor:
Crowe U.K. LLP 4th Floor, St James House, St James' Square, Cheltenham, GL50 3PR

Bankers:
Handelsbanken Plc 7 Henry St, Bath, BA1 1JR
Hampdens & Co Plc 9 Charlotte Square, Edinburgh, EH2 4DR

Solicitors:
Thrings LLP 2 Queen Square, Bath, BA1 2HQ
Stone King LLP Upper Borough Court, Upper Borough Walls, Bath BA1 1RG

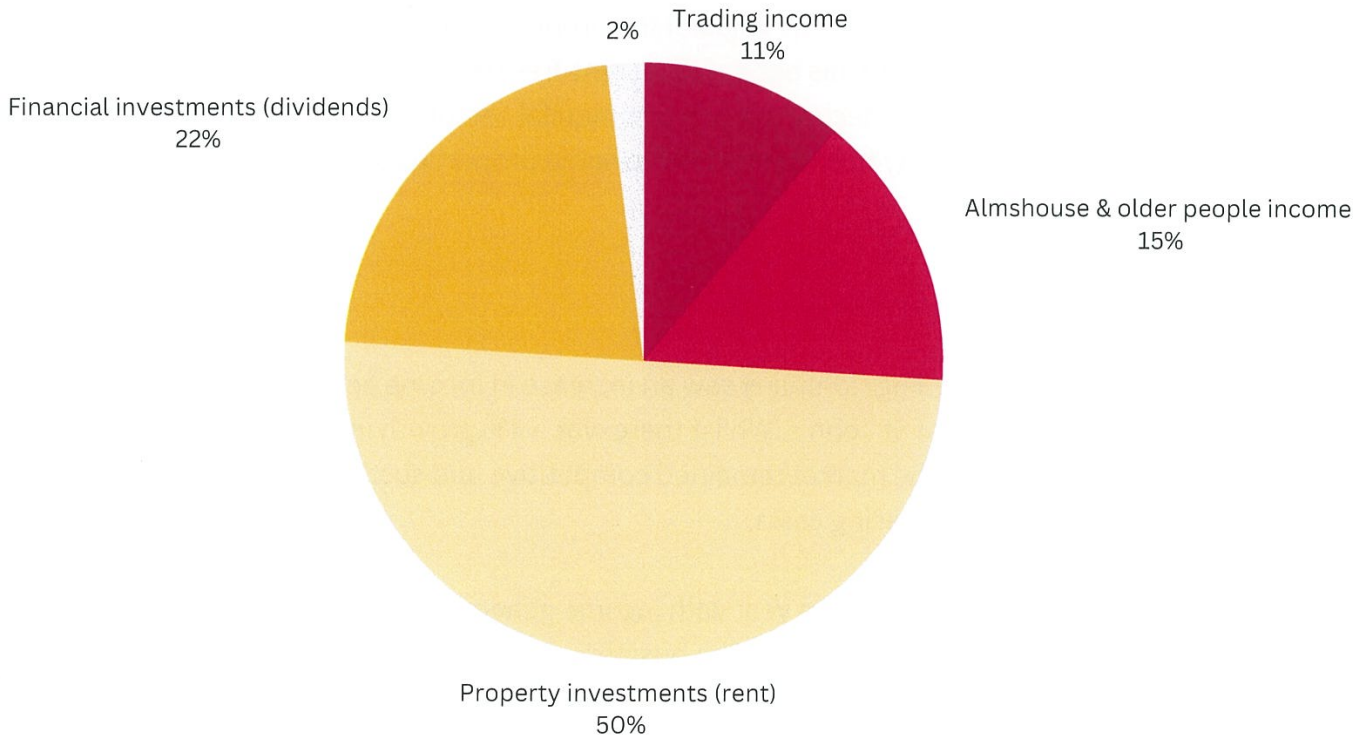
Investment Managers:
Evelyn Partners Investmeent Management LLP Portwall Place ,
Portwall Lane, Bristol, BS1 6NA
Schroder & Co Ltd trading as Cazenove Capital, 1 London Wall Place, London EC2Y 5AU
Charities Property Fund Savills Investment Management, 33 Margaret Street, London, W1G 0JD

Chartered Surveyors:
Jones Lang LaSalle Ltd 31 Great George St, Bristol, BS1 5QD
Martin Blake Associates Ltd 8a Bartlett St, Bath, BA1 2QZ
Carter Jonas 5-6 Wood St, Bath, BA1 2JQ
Jennings Estate Agents and Chartered Surveyors Suite 1, 25 The Tyning, Widcombe, Bath, BA2 6AL



FINANCIAL REVIEW

The consolidated income for 2022 was £5.3m. This is the same as in the previous year ,however, the composition has changed with more income from dividends and less income from property.



Charitable Activities

Income from charitable activities, which includes income from almshouses and residential care, decreased by £35k (4%) in 2022 from 2021. Almshouse income fell by £20k (2.6%) due to a higher number of vacancies than expected. There was also a fall in care income following the deregulation with the Care Quality Commission (CQC) and cessation of personal care part way through 2021.

Donations and legacies

A grant of £70,000 was received towards the end of the year from the Julia and Hans Rausing Trust, to mark the accession of Her Majesty the Queen. The funds were provided for core costs of the organisation and have been treated as unrestricted income. In the previous year a donation of £40k was received from the Joseph Matthews Foundation to support community outreach activities for those in Bath over 75 years of age.

Investment income

Investment income in 2022 was £3.9m. This is £169k lower than in 2021 and reflects a fall in property income of 11% (£340k) year on year which has been offset by an increase in dividend income on financial investments of 17% (£172k) compared to 2021. The reduction in rental income is largely due to a decline in the value of the property market. The level of vacancies has reduced in the year but there has been several rent-free period incentives offered to tenants and rental values have declined in the commercial sector. In addition, to this, the decision to reduce the property holdings has led to some properties being held vacant pending sale.

Trading activities

As discussed above, the Trading Company saw an increase in income across both St Catherine's and the House of St John's. Whilst there was a 4% growth in the income from the holiday apartments (£16k), the market remained competitive and sustaining growth will be required in 2023 to meet increasing costs.

The House of St John's opening in the year with income generated from office rental, event space hire and co-working memberships. The business operated at a loss which was anticipated as it was the first year of trading.

Expenditure

Total expenditure in 2022 was £6.5m (2021: £6.4m).

After consolidation adjustments, costs for the Trading Company were £674k in 2022 (2021: £396k) – the increase was due to the opening of the House of St John's.

Charitable Delivery

Expenditure on charitable delivery was £548k lower in 2022 than in 2021 (including a £58k reduction in allocated central overheads) and £149k lower than budgeted. 2022 was the first full operational year of the Good Living Service. The previous year included one-off costs associated with the service review (including deregulation from the Care Quality Commission (CQC)). Spend on Funding and Impact in 2021 was also higher as it included the final tranche of multi-year awards committed to prior to the implementation of the new strategy. Funding of the nutritious food element of the strategy was £32k lower than in 2021, as there was greater collaboration with other funding partners but a significant increase in spend on this area is planned for 2023 and 2024, as the Charity has agreed to fund school meals across seven local primary schools for those not are not entitled to free school meals under the government scheme. Further information on charitable activities is provided above and in Note 7 below. The direct estates costs of running the almshouses (excluding staff) was £31k lower than last year despite being budgeted to increase (actual costs were £59k lower than budget). This was largely due to repairs planned for 2022 being deferred into 2023. Significant repairs and capital costs on the almshouses are planned for 2024 as part of the cyclical maintenance of the buildings.

Costs of Raising Funds

The increase in costs of raising funds in 2022 compared to 2021 is due to increased expenditure associated with the property investment portfolio. Before allocation of central overheads, spending on property management costs rose by £182k to £1.2m (2021: £1.0m) which includes one-off costs associated with the new investment strategy, including professional advice on disposal strategies. There was also a significant increase in planned maintenance costs on the residential estate compared to 2021. Such repair costs fluctuate year on year and are programmed over a 30-year property plan.

Inflationary increases in the year meant the cost of building repairs, insurance, computer software, licensing and general consumables became more expensive. Gas and electricity costs remained stable and did not rise in line with market prices, due to a pre-existing long-term agreement for both utilities. The electricity contract is due for renewal in 2023 and the gas contract in 2024. It is anticipated that this will lead to significant unit cost increases which is being built into financial plans.

Finance costs rose in year as the Bank of England raised its base rate and overdraft levels increased.

Volunteers

The Charity supports many people in Bath and North East Somerset with the valued help of volunteers who work with the Good Living Service. We are therefore incredibly grateful for the time and effort of the volunteers who support the activities of the Charity. The financial benefit of volunteers is small and therefore not reflected in these accounts.

Annual Deficit

Overall, the operating deficit for 2022 was £1.145m (2021: £1.046m) before gains and losses on investments.

Valuation losses on both listed investments and the property portfolio have created a negative net movement in funds of £13.0m compared to a positive net return of £6.6m in 2021. This reflects a decrease in the financial markets affecting both equities and property prices as at 31 December 2022.

Property valuations were also affected by a decision to amend the valuation assumptions on the majority of the residential property portfolio. The trustees have agreed that it is in the Charity's best interest to sell a significant proportion of the residential estate on a portfolio basis with tenants in situ. This approach would lead to a lower market value being achieved on sale than if the properties were sold on an individual basis with vacant possession (the basis usually used in the financial statements to determine fair value). The trustees are of the view that the fair value of these properties should reflect the decisions made at year end and agreed to reduce the fair value to a portfolio basis with tenants in situ for those properties being marketed as such at the year end.



TOTAL RETURN

The Charity adopted a total return method of accounting from the 1st of January 2013. On this date the initial value of the unapplied total return was £45.5m and the core capital endowment was valued at £35.0m. In arriving at these values, the trustees used the indexed values of the permanent endowment at 1 January 1995 to represent the preserved value of the original gift.

Calculating our inflation +4% target:

The Board recognises that market volatility could cause the value of its investments to fluctuate each year. However, given the Charity's overall financial strength, the longer-term view is more important. The target is therefore measured as an average over a rolling five-year period.

·Investment management costs, like fees charged by investment managers, are deducted within the calculation. This means that the whole CPI+4% return is available to support charitable activities.

From this date the Charity has set a target to achieve a 'total return' from its investments of inflation +4% on average each year. 'Total return' is the sum of valuation gains and income (e.g., dividends or rent).

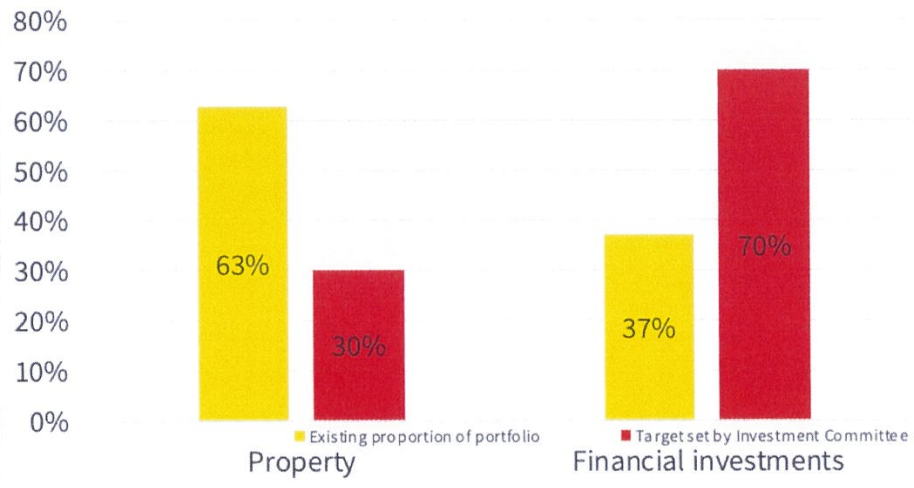
Why CPI +4%?

CPI (the Consumer Prices Index) is a measure of inflation. The use of an appropriate measure of inflation is important. The Retail Prices Index (RPI) has historically been used by the Charity but following careful consideration, the trustees agreed to move to CPI from 1 January 2021. By ensuring the investments grow in line with inflation, the value of investments is protected to support the needs of future generations. In 2021 the permanent endowment was increase by £4.765m for CPI (2020: £2.325m CPI).

The Charity also relies on income from its investments to fund its charitable activities today. The 4% return more than inflation is used to support our existing beneficiaries. In 2022 £3.5m of unapplied total return was allocated to income (2021: £2.8m).



At the year end, the Charity held £106.6m of investments (2021: £119.3m). Of this, £62.8m (59%) was property in Bath (2020: £70.2m / 60%). The Investment Committee has agreed a target strategic allocation of assets (i.e., mix of different types of investments), designed to create the highest return at an acceptable level of risk. A review of the property portfolio was commissioned in year and reports previously commissioned from two independent investment managers to establish an appropriate target. This led to a change in the Investment Policy and a new strategic asset allocation. The need to rebalance the investment portfolio (by buying and selling assets) is assessed at least annually with a detailed plan in place to achieve any identified need to rebalance the portfolio. Other investments (including a social loan, and cash balances) have not been included, as these make up less than 0.5% of the total value.





INVESTMENT POLICY

A few notes on our Investment Policy:

- There is no limit on investment in individual assets, but the Investment Committee actively monitors any asset which makes up more than 5% of the value of the portfolio.
- The Investment Policy allows for investment in any type of asset, with the exception of derivatives (unless for the purpose of hedging) and individual investments may be excluded where there is conflict with the Charity's objectives.
- The Charity can invest in mixed motive and social investments where they align with the Charity's objects. It currently holds a small social investment representing two concessionary loans to a carer's centre, the purpose of which aligned to the Charity's object of assisting those in need. These do not form a material part of the Charity's charitable or investment activities.

Responsible Investing

The trustees recognise the importance of responsible investment (RI) and during 2021 the Investment Policy was amended to better reflect the values of the Charity. The UN Sustainable Development Goals (UNSDGs) were recognised as a good indicator of this for investments and the following goals have been adopted as the Charity's investment values:

UNSD Goal 1 – No poverty

UNSD Goal 2 – Zero hunger

UNSD Goal 3- Good health and well-being

UNSD Goal 4 – Quality education

UNSD Goal 10 – Reduced inequalities

UNSD Goal 11 – Sustainable cities and communities

The trustees do not impose any strict exclusion criteria in relation to the investment values (though appointee investment managers may themselves have their own baseline exclusions). The investment values should provide a guiding context for investment decision making as they are important to the Charity.

The trustees also seek continuous improvement in how the Charity's investments can be better aligned to its investment values whilst still providing the best financial return within an acceptable level of risk. In the first instance the trustees expect the following in relation to RI considerations:

- Investment managers must be signatories of the UN Principles of Responsible Investment (PRI) and report annually to the trustees on their performance against the UN PRI.
- Investment managers are required to report to the trustees on any baseline level of investment exclusions applied by them to the Charity's portfolios and the trustees are to be kept appraised of any developments in exclusion policy by the investment managers.

- Where investment managers place the Charity's funds with 3rd party managers, the investment managers must ensure that the third-party managers are also signatories of the UN PRI, and they must evaluate their performance in relation to this.
- Annual reports are to be provided to the trustees showing how the Charity's managed portfolios are performing in relation to RI considerations and where possible, this should be reported in relation to the Charity's investment values. The trustees acknowledge that this reporting will be emergent but expects it to become more mature over time to enable the trustees to track how well the Charity's investments are aligned to the Charity's values.
- It is expected that investment managers will report to the trustees on a quarterly basis on any conduct breach of the UN Global Compact by companies within our investment portfolio.
- Individual investments may be excluded if seen to conflict with the investment values.



CHARITY RESERVES

Most of the Charity's reserves are held as investments. The income from these investments is needed to support today's beneficiaries, as well as future generations. The trustees therefore protect a significant proportion of reserves for future use. At the end of 2022, total charity reserves were £112.9m (2021: £126.7m).

Charity only	£'m
Invested endowment	97.9
Functional endowment	12.3
Operational assets (excluding endowed)	1.5
Commitments	1.1
Restricted funds	0.1
"Free" reserves"	Nil
Total reserves	112.9

At the year-end there were zero 'free' reserves held as in 2021 the trustees reviewed and revised the Reserves Policy for the Charity. The Charity now adopts a zero free Reserve Policy, drawing down funds from the unapplied total returns into unrestricted reserves only as required to meet operational expenditure in any given year. The trustees consider this to a be a reasonable approach as the Charity adopts a total return approach and holds significant unapplied total returns which can be expended as required.

As shown in the calculation above, not all the unrestricted fund is relevant in calculating free reserves and a zero 'free' reserves policy does not mean that the unrestricted fund is zero. The following are still held in the unrestricted fund and excluded in calculating the 'free' reserves as they are not readily available for spending:

Any operational fixed assets not already excluded from unrestricted funds through the functional endowment (e.g., head office) of £1.5m (2021: £1.4m).

Committed awards or building contracts, not included as a liability in the accounts of £1.1m (except those already excluded from unrestricted funds through the functional endowment) (2021: £2.2m).

The level of unapplied total returns is managed carefully to ensure that the Charity has financial resilience but also maximises the charitable impact by not holding surplus funds. This is achieved through long term financial planning to ensure that investments are maintained at a level which will produce sufficient returns to fund the almshouses, the Good Living Service and funding awards for future generations and protects the spending power of this by inflation. Unapplied total returns in excess of this are expendable on the Foundation Fund and other subsequent strategies and can be released for expenditure by resolution of the Board.

As a long-term approach is taken, the level of unapplied total returns in any one year is expected to fluctuate but the average position is considered and taken into financial planning to determine spending plans and budgets.



Within the Charity, each team actively manages its own risk register to ensure mitigating actions are carried out and scoring is up to date. High-scoring risks (i.e., those with significant likelihood and impact) are included on the Corporate Risk Register. The Audit and Risk Committee reviews the Corporate Risk Register four times a year and may suggest further actions to reduce the likelihood or impact of a risk.

The key risks St John's manages can be summarised into charitable impact, economic and people related risks as follows:

Charitable impact risk: failure to achieve and/or demonstrate charitable impact to the extent intended.

Mitigating actions: Robust due diligence processes are in place for established charitable work throughout the crisis programme and alms-houses. The 2020 – 2030 strategy, covering all aspects of charitable delivery including its ambitious goal to reduce the attainment gap in Bath and North East Somerset, is supported by evaluation and delivery partners, and a system of capabilities to drive continuous improvement.

Economic Risk: Failure to achieve the targeted total return which impacts the income/ capital required to pursue strategic aims.

Mitigating actions: St John's takes a long-term view on its investments, and it uses professional investment managers for the financial portfolio to enable recovery and future growth, and to mitigate short-term impacts. The direct property portfolio is proactively managed with agents' advice. The long-term financial plan is regularly refreshed and guides discussion, planning and decision making at Investment Committee and Board. The new investment strategy and divestment of properties is a mitigating action to this risk by better diversifying the portfolio. On an operational level, employees are supported to regularly engage with budget/ forecasting exercises, actively manage contracts, and consider costs throughout projects to ensure financial efficiency in delivering strategic aims.

People related risk: A poor organisational culture results in ineffective operational delivery, there is a high staff turnover and/or there is a failure to build the capabilities that will enable St John's to deliver its strategy.

Mitigating actions: Quarterly pulse surveys are circulated to all employees to receive feedback with additional ad hoc staff events. Regular internal communications ensure employees feel informed and understand how their role contributes to the wider strategy. Senior managers are asked to report against the capability system and are invited to explore concerns through coaching and 1:1s, with support given for training as needed.

Going Concern

The Charity considers that it has adequate resources to continue in operational existence for the foreseeable future and has adopted the going concern assumption in preparing these financial statements.

The trustees actively plan for the Charity to exist for many years, and this is reflected in the approaches taken to both long-term planning of investments and reserves, detailed above. These approaches (including the planned level of unapplied total returns held by the Charity and the discretion that it has over its expenditure) mean that whilst heavily reliant on investment returns, the trustees consider the Charity to be resilient to shorter-term volatility in its investments and plans are in place to remain adequately resourced to meet the need of both present and future beneficiaries. To provide ample headroom, overdraft facilities are in place which cover a reasonable worst-case scenario for cash flow and if required, the financial investments could be liquidated.



STATEMENT OF TRUSTEE'S RESPONSIBILITIES

The Trustee is responsible for preparing the Trustee's Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom).

The law applicable to charities in England and Wales requires the Trustee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and the group and of the incoming resources and application of resources of the Charity and the group for that period.

In preparing these financial statements, the Trustee is required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgments 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; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustee is responsible for keeping proper accounting records that are sufficient to show and explain the Charity's transactions, that disclose with reasonable accuracy at any time the financial position of the Charity and enables it to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed.

It is also responsible for safeguarding the assets of the Charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustee is responsible for the maintenance and integrity of the financial information included on the Charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Crowe LLP have been appointed as auditors in the period. A resolution for the reappointment of Crowe U.K. LLP as auditors for the Charity will be proposed at the forthcoming Annual General Meeting.

Approved by the Trustee on 26 September 2023 and signed on its behalf by:

MOIRA BRENNAN

Name: Signature:

RICHARD BROWN

Name: Signature:

St John's Foundation Est. 1174

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST. JOHN'S FOUNDATION EST. 1174

Opinion

We have audited the financial statements of St. John's Foundation Est. 1174 ('the charity') and its subsidiary ('the group') for the year ended 31 December 2022 which comprise Consolidated statement of financial activities, Consolidated Balance sheet, Charity Balance sheet, Consolidated statement of cash flows and notes to the financial statements, including 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 group's and the parent charity's affairs as at 31 December 2022 and of the group's 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 group 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 trustee's 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 or the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, 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.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient and proper accounting records have not been kept by the parent charity; 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 trustees' responsibilities statement set out on page 44 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 group's and the parent 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 151 of the Charities Act 2011 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue 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. Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.
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.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charity and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

n addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity and the group for fraud.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within investments (investment property and listed investments more specifically) and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance and designing audit procedures over both types of investment listed previously.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

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.

Use of our 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.

Crowe U.K. LLP

Crowe U.K. LLP
Statutory Auditor
Fourth Floor
St James House
St James Square
Cheltenham
GL50 3PR

Date: 28 September 2023

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

ST. JOHN'S FOUNDATION EST. 1174

England & Wales - Charity number 201476

Accounts



2021 Annual Report

And consolidated financial statements for the year ended 31 December 2021

01225 486400 | stjohnsbath.org.uk | 4-5 Chapel Court, Bath

REGISTERED CHARITY 201476
PATRON: HRH THE DUCHESS OF CORNWALL

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TRUSTEES' ANNUAL REPORT

The Trustees present their annual report and consolidated financial statements. This includes the financial results of St John's Foundation Est. 1174 ('St John's' or ‘the Charity’) and its subsidiary, St John's Hospital Trading Company Ltd for the year ended 31 December 2021. This report is prepared in line with the Charities Act 2011 and SORP (FRS 102).

Founded in the 12th century, St John’s is one of the UK’s oldest charities. The objects of the Charity being the provision of almshouse accommodation and the relief of those who are in need by reason of age, ill-health, disability, financial hardship or other disadvantage within Bath and the surrounding area.

With 847 years of caring for those in crisis, St John’s Foundation has amassed an extraordinary amount of ‘resource’ comprising knowledge, expertise, funding, together with the sheer length of time St John’s has been in operation as a successful charity. Working closely with partner organisations and charities based in Bath and the surrounding area, every aspect of St John’s delivered work is built upon its values of trust, kindness and courage and inspired by its purpose: To change lives. For good.

Over the centuries, St John’s has developed an investment portfolio. This financial independence enables the Charity to act as a neutral partner, to advocate for the organisations it supports, and the ability to continually adapt and respond accordingly.

Delivering its charitable objects while ensuring maximum public benefits was imperative when shaping its ten-year strategy. The Trustees have therefore given due consideration to the Charity Commission's published guidance on the Public Benefit requirement under the Charities Act 2011 in setting the strategy, in agreeing the aims and objectives of the Charity, in setting future plans, and in determining its funding awards policy. The main activities undertaken to further their purpose for the public benefit are set out on the pages that follow.



At the beginning of 2020, after carrying out extensive research to identify key issues affecting society, St John's launched its Foundation Fund as part of its ambitious ten-year strategy. The Foundation Fund focuses on supporting disadvantaged children from birth to twelve years old, together with families; this initiative sits alongside the Charity's almshouse provision and older adults service.

For the first time in history, adults aged 60 and over are the fastest-growing group in our population. This changes both society's demographic and lifestyle expectations, with many of these older adults living on their own. In days gone by, an ageing parent may have looked to their children for support in later life but now, with the localised extended family network more of a rarity, this is far less likely to be the case.

Research has shown that access to support services, together with a varied social life and participation in a thriving community all help older adults maintain an independent lifestyle. In addition, an active mind is as important as an active body with studies showing that you can boost your immune system and delay the onset of conditions such as depression and dementia just by keeping your brain engaged and stimulated.

Unfortunately, older people, particularly those with physical and financial limitations, often find it challenging to stay connected within their community. This may be because of lack of transportation, health conditions that limit mobility, and friends and loved ones living at a distance or moving away. Each of these can be difficult to overcome for an adult living on their own and the challenges may be exacerbated by financial hardship.

St John's recognises that many older adults in their region are facing these challenges and, as part of its service provision, the Charity does all it can to address these challenges. The Community Outreach Service was already offering a range of physical, social and mental stimulation activities. However, the Charity acknowledged the service was not reaching as many older adults as it could be. As part of a strategic change St John's brought together the Community Outreach Service, Independent Living Service, Chaplaincy and almshouse provision into a single unified 'Good Living Service'.

The Good Living Service, which launched in September 2021, was a bold move as it meant both significant restructuring within the Charity and, also, a move away from the paternalistic approach that St John's had previously adopted, to the establishment of a proactive community. With less than five percent of their almshouse tenants in receipt of regulated personal care, the Charity took the decision to de-register from the Care Quality Commission as the bureaucratic burden of work involved in maintaining the registration was disproportionate to the needs of only a small number of people; instead, the Good Living Service is now on hand to signpost residents to approved providers, and as necessary, to external organisations providing an out of hours call service.

The Good Living Service worked with the residents and beneficiaries to ensure any concerns or doubts were resolved during the transition, and the service is going from strength to strength; this is borne out with attendee numbers at activities soaring and, also, further buy-in and interaction from the almshouse residents who had previously been reluctant to get involved.



PLANS FOR THE FUTURE

Over the eight years remaining of the ten-year strategy, St John's will manage its investments to meet the aims of:

- Continuing to enable older adults to live well, courtesy of the Good Living Service
- Focusing on building communities where every child under 12 is supported to grow into a healthy, happy and educated member of the community
- Continuing to provide funding for individuals in crisis

This will be through expanding the work commenced in the first two years of the strategy (see Performance detailed below) and through new initiatives not yet determined. St John's considers that to maximise impact, the Charity needs to be agile in understanding and best meeting needs. St John's understands the value of collaboration, research, market intelligence and objective assessment of performance and impact. Learning from these will ensure that future activities are evolved to best deliver the above aims and shape future plans through continuous improvement in charitable delivery.



OUR PERFORMANCE

The Foundation Fund

February 2020 saw the creation of the Foundation Fund, developed with the specific aim of narrowing the Attainment Gap for Key Stage 2 children living in Bath and North East Somerset. Since the launch of the fund programmes have been funded that best support children aged 0 to 12 years old and their families.

Early Years

Language for Life – In July 2021, St John's Foundation collaborated with HCRG Care Group (formerly Virgin Care) and BaNES Council, to launch the Language for Life project. This project focuses on supporting pre-school children to reach their age-related expectations in communication and language development before they transition into primary school settings in Bath and Keynsham.

Language for Life offers a refreshed, area-specific early years approach to speech and language development. With the support of a newly appointed lead Speech and Language Therapist, Early Years practitioners are offered the opportunity to adopt the Wellcomm communications and language toolkit; an evidence-based assessment and intervention programme designed for use by Early Years practitioners with no additional specialist skills required.

Perinatal Emotional Wellbeing Partnership (PEWP) – Initially funded by the local Clinical Commissioning Group (CCG), the Bath and North East Somerset Perinatal Emotional Wellbeing Partnership (PEWP) supports the mental health of mothers in the period immediately before and after the birth of their children. The PEWP brings together NHS midwives, HCRG Care health visitors, BaNES children's centres and several local charities to support new mothers experiencing mild-to-moderate mental health needs, through a range of one-to-one and group-based interventions.

St John's awarded match-funding alongside the CCG to fund three organisations to deliver services as part of the PEWP. These services were Bluebell Care, Bright Start and Open Space. Combined, these services support approximately 75 beneficiaries per year.

Nutritious Food

Over £100,000 was awarded to projects that provide access to affordable food and wider support in our community. These included:

- Bath and North East Somerset Council – funding for the role of Public Health Officer in relation to food insecurity.
- Bath and North East Somerset Council – supporting the local authority to carry out bi-annual Health and Wellbeing Surveys across all local primary and secondary schools
- FareShare South West – supplying nutritious food to many affordable food projects run by charities across Bath and North East Somerset
- Oasis Hub – start-up costs for a pantry project in Southdown, co-funded with Feeding Britain
- Schools – funding to support breakfast club provision for schools accessing our Primary Empowerment Programme

St John's granted up to £3,000 each to local charities, as part of the Summer Holiday Activities Fund. These charities included Bath City FC Foundation, Family Action, First Steps, Julian House, Oasis Hub, Off the Record, PCC of Peasedown St John, Southside, Sporting Family Change, VOICES and Young Bristol. This fund was specifically for positive activities for children aged 12 and under, and their families over the school summer holidays.

Primary Empowerment Programme

Throughout 2021, the Foundation Fund engaged with seven local primary schools that have 40% of the most disadvantaged primary school children in Bath and North East Somerset to provide these pupils with additional support with foundational reading, writing, oracy, and mathematics, as well as emotional and behavioural support.

£820,841 was released to fund six delivery partners to support the seven schools under the strands of oracy; reading and writing; numeracy and emotional and behavioural support. The schools themselves have also received funding to directly support their reading and writing work.

The Primary Empowerment Schools are:

- Castle Primary School, Keynsham
- Round hill Primary School, Southdown, Bath
- St Keyna Primary School, Keynsham
- St Martin's Garden Primary School, Odd Down, Bath
- St Mary's School, Writhlington
- St Michael's Junior Church School, Twerton, Bath
- Twerton Infants School, Twerton, Bath

The schools received a further £7,000 each at the beginning of 2021 to support them through the Covid-19 pandemic. They were encouraged to use this funding to support activities the children would have otherwise missed out on. These funds were used to supply reading books, swimming lessons and a school dog.

Crisis Programme

By the close of 2021, St John's had awarded direct financial support to 887 families and individuals who experienced a point of crisis in their lives. This support amounted to £253,663.

Significant challenges posed by the pandemic and the ever-rising cost of living, saw the demand for St John's Crisis Programme continue throughout 2021. Expenses such as funeral costs, debt relief orders, bankruptcy fees and counselling saw a significant rise throughout the year as the pandemic showed no signs of abating. St John's continued to use a high proportion of the Crisis Programme budget on essential needs such as carpets, white goods and furniture for new tenants.

Given the challenges posed by the pandemic and the ever-rising cost of living, it is anticipated the demand for crisis support will remain steady through 2022 and increase once Bath and North East Somerset Council's Welfare Support budget reverts to pre-pandemic levels in April 2023.

Curo tenant applications account for 65% of the annual crisis budget. A working group has been set up with Curo, Welfare Support and St John's to create joint approaches to support Curo's vulnerable tenants, and to identify ways in which Curo's longer-term reliance on crisis support options can be reduced.

Crisis Projects Fund

A total of £53,445 was awarded in support of 6 charitable projects which align closely with the aims of the Crisis Programme:

Citizens Advice	Match funding with Wessex Water the roles of two Debt Caseworkers	£30,000
VOICES	Supporting the domestic violence Charity relocate into a new Safe Space Centre, which they will cohabit with SARSAS	£10,000
Salvation Army	Fitting out the communal spaces of a new Women's Safe House, which supports victims of human trafficking.	£5,000
Bath Welcomes Refugees	Cost associated with resettling Afghan refugee families across Bath and North East Somerset	£5,000
Nest Project	Purchasing equipment for families which is either rarely donated or not donated in good quality	£1,945
1st Impressions	Start up costs for a newly formed CIC supporting vulnerable women to find employment	£1,500

These projects either provide direct support to individuals and families before their situations reach crisis point, or can provide goods and services in more efficient and/or cost-effective ways than the Foundation Fund team.

Citizens Advice and VOICES have been awarded multi-year commitments of funding. Final funds for these two projects will be released in 2022, subject to the satisfactory completion of monitoring reports. All other awards were one-offs, although St John's will remain in close contact with the organisations and monitor the impact of the awards.

Organisation and Core Funding Programmes

In 2021 £311,936 was released to support 16 multi-year projects, through the St John's legacy Organisation and Core Funding Programmes. These were the final instalments; monitoring of these projects will continue.

Trading

These consolidated financial statements include the results of the trading subsidiary, which is an investment for the Charity. It was established with a view to generating profits which could be gifted to the Charity and used to fund the charitable objectives.

Since 2019, the trading company has operated ten high quality holiday apartments at St Catherine's Hospital (a former almshouse leased at market rent to the subsidiary). In 2021, work finished on the trading company's second commercial venture, the House of St John's at 1 Queen Square. This is also leased at market rent from the Charity.

The building has been thoughtfully refurbished and now hosts a variety of private offices; flexible and dedicated desks; meeting rooms and a stylish event space. This is workspace powered by social purpose. Its unique selling point is that St John's Foundation is its charity partner and profits from the new venture are to be gifted to the Charity to fund positive societal change.



STRUCTURE, GOVERNANCE AND MANAGEMENT

Legal structure

St John's Hospital Trustee Limited

COMPANY

Board of Directors ('the Trustees')

St John's Foundation Est. 1174 (the Charity) is controlled by a trustee company, St John's Hospital Trustee Limited (registration 08188066). The trustee company has a board of unpaid directors, who are effectively the trustees of the Charity.

St John's Foundation Est. 1174

CHARITY

The Charity is an unincorporated Charity registered in England and Wales (reference 201476). It is governed by a Charity Commission Scheme dated 25 September 2012 and amended on 8 February 2017.

St John's Hospital Trading Company Limited

TRADING COMPANY

St John's Hospital Trading Company Limited (registration 08632453) is the trading arm of the Charity and is a wholly owned subsidiary.

GOVERNANCE

The Charity Governance Code

The Code (published in 2017) sets out seven principles of good governance, including:

- Organisational Purpose
- Leadership
- Integrity
- Decision making, risk and control
- Board effectiveness
- Equality, diversity and inclusion
- Openness and accountability

The Trustees recognise that effective governance is essential in enabling the Charity to meet its aims and have reviewed the Charity's governance against the Code. The findings of this review were that St John's has an effective, well-governed board and that the new strategy underpins many elements that are fundamental to the spirit of the Code including transparency, collaboration and strategic drive. There were no significant concerns or risks identified as part of the review but in line with continuous improvement a list of recommendations has been adopted for implementation. All Trustees have signed a Code of Conduct based upon the Charity Governance Code. Our current governance arrangements are set out in the report.

TRUST

COURAGE

KINDNESS

HOW OUR VALUES SUPPORT EFFECTIVE GOVERNANCE

We embrace our organisational values of Courage, Kindness and Trust and apply these values to everything we do and in how we treat one another.

The breadth of St John's work necessitates a diverse workforce and each one of the Trustees and the employees help to make our organisation an uplifting and cohesive place to work.

We actively encourage the sharing of ideas and promote continuing personal development.



GOVERNANCE STRUCTURE

The Board

In line with the Articles of Association of St John's Hospital Trustee Limited ('the Articles'), the Board of Trustees must compromise between 10 and 14 members. Trustees are each appointed for a term of three years and may be re-appointed to serve for up to nine years.

Decision-making

The Board held four formal meetings and two development days during 2021 to determine strategy, approve financial plans and consider key policies. The Board has delegated authority for certain decisions to committees, which are made up of Trustees with relevant experience and/or qualifications. Professional advisors attend these committees when necessary to add their insight.

The Board and the Committees review their performance annually. This is carried out through discussion and has been supported using surveys to gain insight into Trustee opinions on effectiveness. An appraisal of the Chair is conducted every two years by the Senior Independent Trustee. As one of the recommendations arising from the Corporate Governance Code review, the Trustees are considering whether to undertake external evaluations of performance and how individual trustee performance will be reviewed in the future.



COMMITTEES

Committee	Purpose
Audit and Risk Committee (ARC)	To assure the Board that there is an adequate system of risk management in place for the activities of the Charity and which ensures effective delivery of all its services, including compliance with all relevant regulations that relate to the Charity's activities.
Investment Committee (INV)	To recommend the investment strategy for the Charity and to assure the Board that there is an adequate system of processes and controls in place to ensure all the Charity's investment portfolios, including the property portfolio are appropriately managed to deliver the agreed investment objectives.
Remuneration & Nominations Committee (REM)	To oversee the trustee appointment process and to ensure that St John's has effective remuneration, nomination and Board recruitment policies and procedures in place, which are fair and transparent, adhere to all relevant legislation and support the strategy, objectives and values of the Charity.

Committee membership, along with a list of professional advisors, is available in the 'Legal and administrative information' and 'Advisors section below.

The Trustees have delegated day-to-day management of the Charity to the Executive team and the employees of St John's.

Remuneration of the Executive Team

The Remuneration and Nominations committee is responsible for setting remuneration policies for the Executive team, based on individual contributions and the prevailing market. This includes the annual salary, contractual terms of employment and any severance arrangements.

For the Charity to meet its strategic goals, it must recruit and retain highly skilled employees. The salaries offered to the Executive team are competitive both locally and within the charitable sector. The Remuneration and Nominations committee, taking advice from the Chief Executive, determines the salaries of the rest of the Executive team. An over-riding factor in salary setting is always affordability in the context of the whole organisation's budget.



Trustee recruitment and training

The Remuneration and Nominations committee determines the appointment procedures for new Trustees including how the vacancies will be advertised. This is through social media and sometimes an external recruitment agency may be used, to ensure greater reach to potential trustees. The Remuneration and Nominations Committee agree the terms and conditions of appointment and any interview process, which will involve a minimum of 2 existing trustees. It then nominates candidates for approval by the Board.

Once appointed new Trustees are provided with training through an induction pack. This includes a Trustee handbook which is reviewed and updated regularly and shared with all Trustees. Further training may be offered where needs are identified and throughout the year the Charity aims to update Trustees using seminars and briefings. In 2021, there were no face-to-face training courses but details of virtual events such as webinars were shared with Trustees. A formal training schedule will resume in 2022 and opportunities for continued professional development will be offered on a voluntary basis to the board

Fundraising

During 2021, the Charity received zero complaints with regards to fundraising practices (2020: zero)

The Charity does not actively fund raise but sometimes generates funds from the public through events where the primary purpose is not fund-raising but awareness raising. It is anticipated that in 2022, some employees and members of the public will be seeking sponsorship for events to raise funds for St John's Foundation. This will be via donation pages, such as Just Giving and due to the nature of these events no pressure is put on individuals to donate and there is very little perceived risk to vulnerable people or other members of the public in relation to fundraising. We never use an external partner to raise funds, but the Trading Company will be operated as a social enterprise to raise funds for the Charity in 2022 and in future years.

Communications and actions taken in relation to using the Charity to promote for commercial advantage will need to be compliant with the Charities (Protection and Social Investment) Act 2016, an Act which the Charity is also compliant with.





Legal and Administrative Information

Registered office:	4/5 Chapel Court, Bath, BA1 1SQ
Telephone:	01225 486400
Email:	info@stjohnsbath.org.uk
Website:	www.stjohnsbath.org.uk
Charity reference:	201476

OUR DIRECTORS

Directors of St John's Hospital Trustee Limited ('The Trustees') & Committee Membership

	FAR	INV	REM	
Ben Fletcher (Chair)			●	
Ashley Ayre	●			
Jamal Benmiloud				from: 27 May 2021
Harriet Bosnell	●		●	
Moira Brennan	●		●	
Richard Brown		●		
Rev Roger Driver	●			from: 16 April 2021
Jeffrey Hayes		●		from: 31 March 2021
Nicholas Hunt		●		
John Lakin				from: 27 May 2021
Karen MacGregor	●			
Ian MacKenzie		●		until: 24 June 2021
David Purdon	●			until: 24 June 2021
Ken Scott		●		
Carole Stott				from: 26 May 2021

● Committee Chair ● Committee Member



OUR DIRECTORS

Directors of St John's Hospital Trading Company Ltd.

Ashley Ayre	A Trustee of the Charity	
Caroline Bee	A Director of the Charity	
Jamal Benmiloud	A Trustee of the Charity	(from 24 June 2021)
Moira Brennan	A Trustee of the Charity	(from 24 June 2021)
Louise Harvey	A Director of the Charity	
David Hobdey	Chief Executive of the Charity	
Karen Macgregor	A Trustee of the Charity	
David Purdon	A Trustee of the Charity	(from 24 June 2021)
Ken Scott	A Trustee of the Charity	

Executive Team

David Hobdey	Chief Executive
Louise Harvey	Director of Funding and Impact
Caroline Bee	Director of Finance

To find out more about the skills and experience of our team please visit https://stjohnsbath.org.uk/about/our-team/

OUR PROFESSIONAL ADVISORS

External Auditor:

Crowe U.K. LLP 4th Floor, St James House, St James' Square, Cheltenham, GL50 3PR

Bankers:

Handelsbanken Plc 7 Henry St, Bath, BA1 1JR

Hampdens & Co Plc 9 Charlotte Square, Edinburgh, EH2 4DR

Solicitors:

Thrings LLP 2 Queen Square, Bath, BA1 2HQ

Stone King LLP 13 Queen Square, Bath, BA1 2HJ

Investment Managers:

Evelyn Partners Investmeent Management LLP Portwall Place , Portwall Lane, Bristol, BS1 6NA

Schroder & Co Ltd trading as Cazenove Capital, 1 London Wall Place, London EC2Y 5AU

Charities Property Fund Savills Investment Management, 33 Margaret Street, London, W1G 0JD

Chartered Surveyors:

Jones Lang LaSalle Ltd 31 Great George St, Bristol, BS1 5QD

Martin Blake Associates Ltd 8a Bartlett St, Bath, BA1 2QZ

Carter Jonas 5-6 Wood St, Bath, BA1 2JQ

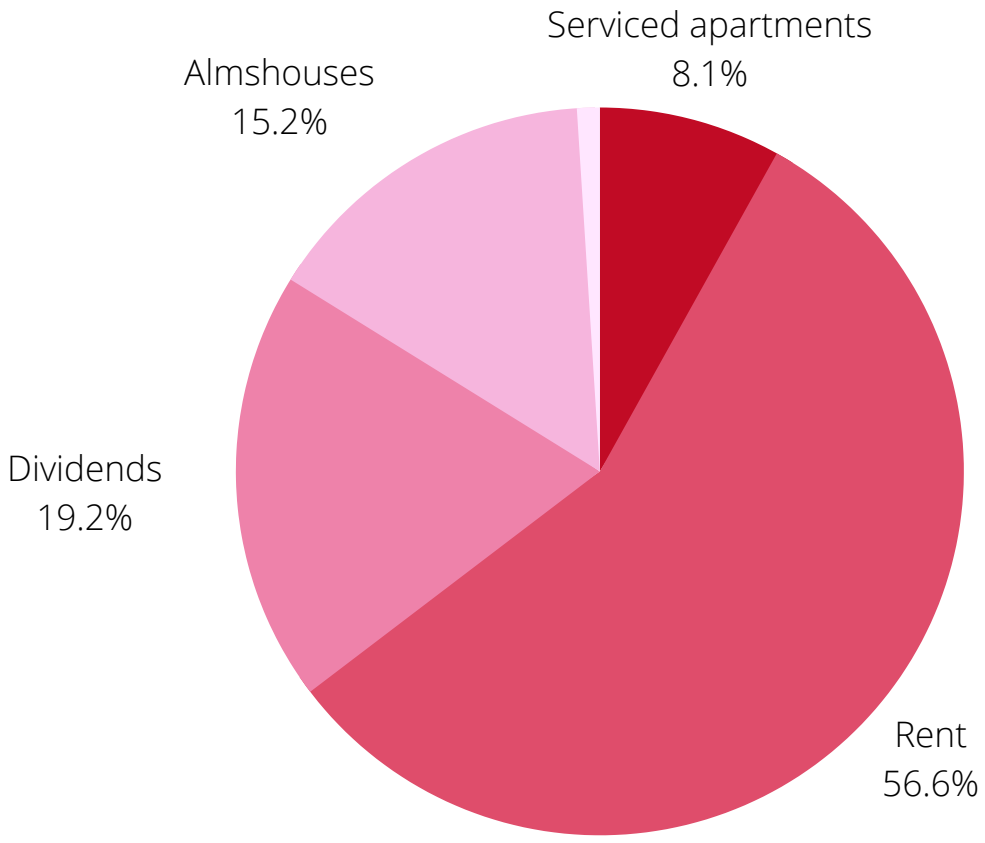
Philip Jennings Suite 1, 25 The Tyning, Widcombe, Bath, BA2 6AL

Savills Edgar Buildings, 17 George St, Bath, BA1 2EN



FINANCIAL REVIEW

Our income in 2021 (£'000s)



The consolidated income for 2021 was £5.3m, which is £142k higher than the previous year (£5.2m). This largely reflects a recovery in trading income which was 98% higher in 2021 (£419k) than 2020 (£211k). There were fewer government restrictions and lockdowns in 2021 which enabled the Trading Company to let the holiday apartments for more of the year. International tourism levels remained low but demand by UK residents was higher than in previous years.

Donations and legacies

A donation of £40k was received in year from the Joseph Matthews Foundation to support community outreach activities for those in Bath over 75 years of age.

Investment income

Investment income in 2021 was £4.0m. This is only £54k lower than in 2020 but reflects a fall in property income of 6% (204k) year on year which has been offset by an increase in dividend income on listed investments of 18% (£154k) compared to 2020. This followed the reinvestment of property disposal proceeds from 2020 into a new investment fund managed by investment managers, Cazenove. Residential rental income has grown in year reflecting market growth in rents but conversely, the market rebasing of retail rents contributed to a fall in commercial rental income during 2021. The average number of vacant units held was higher in 2021 although an improvement in market interest was felt and by year end, most vacant unit being marketed were under offer.

Trading activities

The Trading Company saw a recovery in income compared to 2020 when the serviced apartments at St Catherine's Hospital had been closed for long intervals during 2020 in line with government instructions. There were fewer periods of closure in 2021 and advantage was taken of pent-up demand for holiday lets.

Almshouse Income

Income from charitable activities, which includes income from almshouses and residential care, decreased by £7k (1%) in 2021 from 2020. There was a fall in care income following the deregulation with the Care Quality Commission (CQC) and cessation of personal care in 2021. Also, as in 2020, there were slightly higher levels of vacancies than usual because assessing potential residents and moving continued to remain difficult due to the pandemic.

Expenditure

Total expenditure in 2021 was £6.4m (2020: £5.7m).

After consolidation adjustments, costs for the Trading Company were £401k in 2021 (2020: £147k) – the increase being due to setting up the House of St John's.

Across the group, the costs of property related repairs rose by 21% (£127k) compared to 2020 across the estate. To an extent this reflected delays in works from 2020 (when the risk of Covid limited access to homes) to 2021 and an increased turnover in tenants at the residential properties post pandemic. The condition of the property assets is important. Short- and long-term maintenance plans are in place to ensure that all properties are well maintained, and the cost of repairs will fluctuate year on year.

Utility costs also rose sharply by £42k compared to 2020. This was influenced by the number of vacant investment properties but also the Trading Company taking on 1 Queen Square as the House from October 2021 and associated property costs including business rates.

The return of activity in the rental market for both residential and commercial property compared to a very subdued 2020, also lead to an increase in professional fees with legal and agency costs in relation to new leases rising significantly in year (rising £136k compared to 2020). Professional fees were also incurred on obtaining advice over transactions between the charity and the trading company in letting 1 Queen Square and setting up a formal loan agreement and in undertaking a strategic review of the property portfolio.

Offsetting property related costs was a decrease in staffing costs due to vacancies in year and a restructuring of both the maintenance and Good Living teams.

The introduction of a new investment portfolio and new investment manager, and the increase in capital value of the managed portfolios, led to an increase in investment management costs in year of £191k. This was, however, be offset by higher levels of investment returns from listed investments.

Expenditure on charitable activities rose by 5% (£194k) compared to 2020. The Foundation Fund grew with details of this being described in detail above.

Volunteers

The Charity can support many people in Bath and North East Somerset with the valued help of its volunteers who work with our Older Adults Service. We are therefore incredibly grateful for the time and effort of our volunteers who make an important impact across the year even though the financial benefit of volunteers is relatively small (so cannot be shown in these statements)

Annual Deficit

Overall, the operating deficit for 2021 was £1.046m (2020: £548k) before gains and losses on investments. This was smaller than the deficit planned for the year with the budget for the year perhaps being over cautious in relation to the on-going impact of the pandemic in 2021. This included assumptions on investment income from property and the cost of legal and professional support that would be required in year.

Valuation gains on both listed investments and the property portfolio have created a positive net movement in funds of £5.6m compared to a negative net return of £10.7m in 2020.

TOTAL RETURN

The Charity adopted a Total Return method of accounting from 1 January 2013. On this date the initial value of the unapplied total return was £45.5m and the core capital endowment was valued at £35.0m. In arriving at these values, the Trustees used the indexed values of the permanent endowment at 1 January 1995 to represent the preserved value of the original gift.

From this date the Charity has set a target to achieve a 'total return' from its investments of inflation +4% on average each year. 'Total return' is the sum of valuation gains and income (e.g., dividends or rent).

Calculating our inflation +4% target:

·The Board recognises that market volatility could cause the value of its investments to fluctuate each year. However, given the Charity's overall financial strength, the longer-term view is more important. The target is therefore measured as an average over a rolling five-year period.

·Investment management costs, like fees charged by investment managers, are deducted within the calculation. This means that the whole CPI+4% return is available to support charitable activities.

Why CPI +4%?

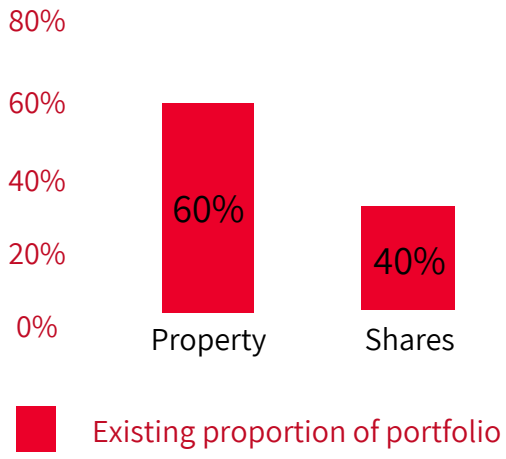
CPI (the Consumer Prices Index) is a measure of inflation. The use of an appropriate measure of inflation is important. The Retail Prices Index (RPI) has historically been used by the Charity but following careful consideration, the Trustees agreed to move to CPI from 1 January 2021. By ensuring the investments grow in line with inflation, the value of investments is protected to support the needs of future generations. In 2021 the permanent endowment was increase by £2,325k for CPI (2020: £510k for RPI).

The Charity also relies on income from its investments to fund its charitable activities today. The 4% return more than inflation is used to support our existing beneficiaries. In 2021 £2.8m of unapplied total return was allocated to income (2020: £4.6m).

INVESTMENTS

At the year end, the Charity held £119.2m of investments (2020: £105.6m). Of this, £70.2m (60%) was property in Bath (2020: £67.7m / 64%). The Investment Committee has agreed a target strategic allocation of assets (i.e., mix of different types of investments), designed to create the highest return at an acceptable level of risk. A review of the property portfolio was commissioned in year and reports previously commissioned from two independent investment managers in order to establish an appropriate target. This led to a change in the Investment Policy and a new Strategic Asset Allocation. The need to rebalance the investment portfolio (by buying and selling assets) is assessed at least annually with a detailed plan in place to achieve any identified need to rebalance the portfolio.

Other investments (including a social loan, and cash balances) have not been included, as these make up less than 0.5% of the total value.



Current allocation of assets

Other investments (including a social loan, and cash balances) have not been included, as these make up less than 0.5% of the total value.



INVESTMENT POLICY

A few notes on our Investment Policy:

- There is no limit on investment in individual assets, but the Investment Committee actively monitors any asset which makes up more than 5% of the value of the portfolio.
- The Investment Policy allows for investment in any type of asset, with the exception of derivatives (unless for the purpose of hedging) and individual investments may be excluded where there is conflict with the Charity's objectives.
- The Charity can invest in mixed motive and social investments where they align with the Charity's objects. It currently holds a small social investment representing two concessionary loans to a carer's centre, the purpose of which aligned to the Charity's object of assisting those in need. These do not form a material part of the Charity's charitable or investment activities.

Responsible Investing

The Trustees recognise the importance of responsible investment (RI) and during 2021 the Investment Policy was amended to better reflect the values of the Charity. The UN Sustainable Development Goals (UNSDGs) were recognised as a good indicator of this for investments and the following goals have been adopted as the Charity's investment values:

UNSD Goal 1 – No poverty
UNSD Goal 2 – Zero hunger
UNSD Goal 3- Good health and well-being
UNSD Goal 4 – Quality education
UNSD Goal 10 – Reduced inequalities
UNSD Goal 11 – Sustainable cities and communities

The Trustees do not impose any strict exclusion criteria in relation to the investment values (though appointee investment managers may themselves have their own baseline exclusions), but the investment values should provide a guiding context for investment decision making as they are important to the Charity.

The Trustees also seek continuous improvement in how the Charity's investments can be better aligned to its investment values whilst still providing the best financial return within an acceptable level of risk. In the first instance the Trustees expect the following in relation to RI considerations:

· Investment managers must be signatories of the UN Principles of Responsible Investment (PRI) and report annually to the Trustee on their performance against the UN PRI.

· Investment managers are required to report to the Trustee on any baseline level of investment exclusions applied by them to the Charity's portfolios and the Trustee is to be kept appraised of any developments in exclusion policy by the investment managers.

· Where investment managers place the Charity's funds with 3rd party managers, the investment managers must ensure that the third-party managers are also signatories of the UN PRI and they must evaluate their performance in relation to this.

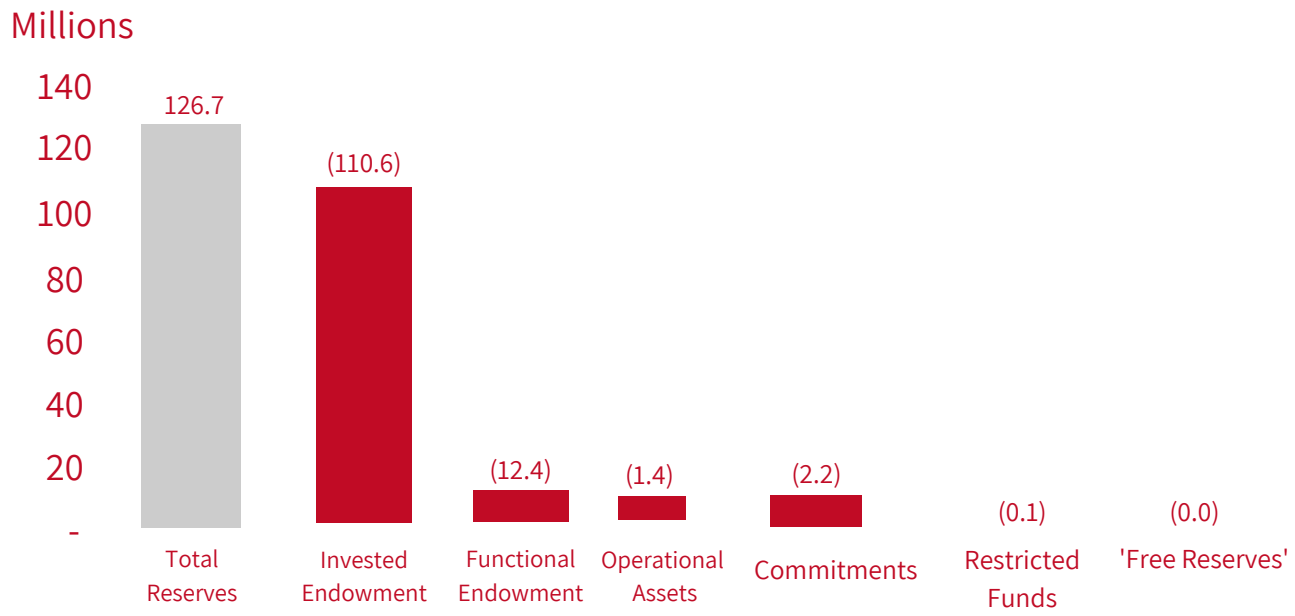
· Annual reports are to be provided to the Trustee showing how the Charity's managed portfolios are performing in relation to RI considerations and where possible, this should be reported in relation to the Charity's investment values. The Trustee acknowledges that this reporting will be emergent but expects it to become more mature over time to enable the Trustee to track how well the Charity's investments are aligned to the Charity's values.

· It is expected that investment managers will report to the Trustee on a quarterly basis any conduct breach of the UN Global Compact by companies within our investment portfolio.

· Individual investments may be excluded if seen to be in conflict with the investment values.

RESERVES

The majority of the Charity's reserves are held as investments. The income from these investments is needed to support today's beneficiaries, as well as future generations. The Trustees therefore protect a significant proportion of reserves for future use. At the end of 2021, total reserves were £126.7m (2020: £121.0m).



At the year-end there were zero 'free' reserves held as in 2021 the Trustees reviewed and revised the reserves policy for the Charity. The Charity now adopts a zero free reserve policy, drawing down funds from the unapplied total returns into unrestricted reserves only as required to meet operational expenditure in any given year. The Trustees consider this to a be a reasonable approach as the Charity adopts a total return approach and holds significant unapplied total returns which can be expended as required.

As shown in the calculation above, not all of the unrestricted fund is relevant in calculating free reserves and a zero 'free' reserves policy does not mean that the unrestricted fund is zero. The following are still held in the unrestricted fund and excluded in calculating the 'free' reserves as they are not readily available for spending:

· Any operational fixed assets not already excluded from unrestricted funds through the functional endowment (e.g., head office) of £1.4m (2020: £1.4m)

· Designated funds set aside to repair the almshouses of £nil (2020: £0.8m)

· Committed awards or building contracts, not included as a liability in the accounts of £2.2m (except those already excluded from unrestricted funds through the functional endowment) (2020: £0.7m)

The level of unapplied total returns is managed carefully to ensure that the Charity has financial resilience but also maximises the charitable impact by not holding surplus funds. This is achieved through long term financial planning to ensure that investments are maintained at a level which will produce sufficient returns to fund the almshouses, good living service and funding awards for future generations and protects the spending power of this by inflation. Unapplied total returns in excess of this are considered to be expendable on the Foundation Fund and other subsequent strategies and can be released for expenditure by resolution of the Board.

As a long-term approach is taken, the level of unapplied total returns in any one year is expected to fluctuate but the average position is considered and taken into financial planning to determine spending plans and budgets.

RISKS

Within the Charity, each team actively manages its own risk register to ensure mitigating actions are carried out and scoring is up to date. High-scoring risks (i.e., those with significant likelihood and impact) are included on the Corporate Risk Register. The Audit and Risk Committee reviews the Corporate Risk Register at least four times a year and may suggest further actions to reduce the likelihood or impact of a risk.

The key risks St John's manages can be summarised into charitable impact, economic and people related risks as follows:



RISKS

Charitable Impact Risk: Failure to achieve and/or demonstrate charitable impact to the extent intended

Mitigating Actions: Robust due diligence processes are in place for established charitable work throughout the crisis programme and alms-houses. The 2020 – 2030 strategy, covering all aspects of charitable delivery including its ambitious goal to reduce the attainment gap in Bath and North East Somerset, is supported by evaluation and delivery partners, and a system of capabilities to drive continuous improvement.

Economic Risk: Failure to achieve the targeted total return which impacts the income/ capital required to pursue strategic aims.

Mitigating Actions: St John's takes a long-term view on its investments, and it uses professional investment managers for the financial portfolio to enable recovery and future growth, and to mitigate short-term impact. The direct property portfolio is proactively managed with agents' advice. The long-term financial plan is regularly refreshed and guides discussion, planning and decision making at Investment Committee and Board. On an operational level, employees are supported to regularly engage with budget/ forecasting exercises, actively manage contracts, and consider costs throughout projects to ensure financial efficiency in delivering strategic aims.

People Related Risk: A poor organisational culture results in ineffective operational delivery, there is a high staff turnover and/or there is a failure to build the capabilities that will enable St John's to deliver its strategy.

Mitigating Actions: Quarterly pulse surveys are circulated to all employees to receive feedback with additional ad hoc staff events. Regular internal communications ensure employees feel informed and understand how their role contributes to the wider strategy. Senior managers are asked to report against the capability system and are invited to explore concerns through coaching and 1:1s, with support given for training as needed.

Going Concern

The charity considers that it has adequate resources to continue in operational existence for the foreseeable future and has adopted the going concern assumption in preparing these financial statements.

The Trustees actively plan for the charity to exist for many years and this is reflected in the approaches taken to both long-term planning of investments and Reserves, detailed above. These approaches (including the planned level of unapplied total returns held by the Charity and the discretion that it has over its expenditure) mean that whilst heavily reliant on investment returns, the Trustees consider the Charity to be resilient to shorter-term volatility in its investments and plans are in place to remain adequately resourced to meet the need of both present and future beneficiaries. To provide ample headroom, overdraft facilities are in place which cover a reasonable worst-case scenario for cash flow.

STATEMENT OF TRUSTEE'S RESPONSIBILITIES

The Trustee is responsible for preparing the Trustee's Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom).

The law applicable to charities in England and Wales requires the Trustee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and the group and of the incoming resources and application of resources of the Charity and the group for that period.

In preparing these financial statements, the Trustee is required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgments 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; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustee is responsible for keeping proper accounting records that are sufficient to show and explain the Charity's transactions, that disclose with reasonable accuracy at any time the financial position of the Charity and enables it to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed.

It is also responsible for safeguarding the assets of the Charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustee is responsible for the maintenance and integrity of the financial information included on the Charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Crowe LLP have been appointed as auditors in the period. A resolution for the reappointment of Crowe U.K. LLP as auditors for the Charity will be proposed at the forthcoming Annual General Meeting.

Approved by the Trustee on 23 June 2022 and signed on its behalf by:

Moira Brennan (Director)

Harriet Bosnell (Director)

St. John's Foundation Est. 1174

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST. JOHN'S FOUNDATION EST. 1174

Opinion

We have audited the financial statements of St. John's Foundation Est. 1174 ('the charity') and its subsidiary ('the group') for the year ended 31 December 2020 which comprise Consolidated statement of financial activities, Consolidated Balance sheet, Charity Balance sheet, Consolidated statement of cash flows and notes to the financial statements, including 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 group's and the parent charity's affairs as at 31 December 2020 and of the group's 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 group 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 trustee's 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 or the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, 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.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient and proper accounting records have not been kept by the parent charity; 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 trustees' responsibilities statement set out on page 39 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 group's and the parent 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 151 of the Charities Act 2011 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue 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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charity and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity and the group for fraud. The laws and regulations we considered in this context were CQC Regulations.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the completeness and accuracy of income, grants payable to third parties and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Audit & Risk Committee about their own identification and assessment of the risks of irregularities, designing audit procedures over income and grant expenditure, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our 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.

Crowe U.K. LLP
Statutory Auditor
Fourth Floor
St James House
St James Square
Cheltenham
GL50 3PR

20 July 2022

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

	Note	Unrestricted fund £'000	Restricted funds £'000	Endowment fund £'000	Total 2021 £'000	Total 2020 £'000
Income and endowments from:						
Charitable activities		849	-	-	849	856
Investment income	2a	-	7	4,020	4,027	4,080
Other trading activities		419	-	-	419	211
Donations and legacies	2b	-	43	-	43	49
Transfer to income	17a/22	2,762	-	(2,762)	-	-
Total income		**4,030**	**50**	**1,258**	**5,338**	**5,196**
Expenditure:						
Expenditure on charitable activities:						
Older adults services:		1,867	3	113	1,983	1,850
Funding and impact	7	2,335	5	-	2,340	1,987
Community outreach		-	-	-	-	292
Total expenditure on charitable activities	3	4,202	8	113	4,323	4,129
Cost of raising funds	4	1,368	-	297	1,665	1,474
Other expenditure	5	396	-	-	396	141
Total expenditure		**5,966**	**8**	**410**	**6,384**	**5,744**
Net (expenditure) / income before investment (losses) / gains		**(1,936)**	**42**	**848**	**(1,046)**	**(548)**
Net gains / (losses) on investments	13	-	-	6,595	6,595	(10,163)
Net (expenditure) / income		(1,936)	42	7,443	5,549	(10,711)
Transfers between funds	22	(14)	-	14	-	-
Net (expenditure)/ income & net movement in funds		**(1,950)**	**42**	**7,457**	**5,549**	**(10,711)**
Reconciliation of funds:						
Total funds brought forward	23	5,586	10	115,366	120,962	131,673
Total funds carried forward	23	**3,636**	**52**	**122,823**	**126,511**	**120,962**

The notes on pages 48 to 77 form part of these financial statements.

St John's Foundation Est. 1174
As at 31 December 2021

CONSOLIDATED BALANCE SHEET

	Note	2021 £'000	2020 £'000
Fixed Assets			
Intangible assets	10	54	32
Tangible assets – freehold property	11	11,839	11,953
Other tangible fixed assets	12	277	105
Investments:			
Financial and property investments	13	119,186	105,551
Social investments	14	99	133
		131,455	**117,774**
Current Assets			
Social investments	14	32	30
Debtors	15	957	4,177
Cash at bank and in hand		105	3,168
		1,094	**7,375**
Creditors: amounts falling due within one year	16a	(4,200)	(2,330)
Net current (liablities) / assets		**(3,106)**	**5,045**
Total assets less current liabilities		**128,349**	**122,819**
Creditors: amounts falling due after more than one year	16b	(1,838)	(1,857)
Total net assets		**126,511**	**120,962**
Group reserves			
Invested endowment fund	17a	110,263	102,723
Functional endowment fund	17b	12,420	12,520
Roxburgh endowment fund	18	140	123
Designated funds	19	-	-
Unrestricted general fund	20	3,636	5,586
Restricted funds	21	52	10
		126,511	**120,962**

The notes on pages 48 to 77 form part of these financial statements. These financial statements were approved and authorised for issue by the Trustee at the meeting held on 23 June 2022 and were signed on its behalf by:

Moira Brennan (Director)

Harriet Bosnell (Director)

St John's Foundation Est. 1174
As at 31 December 2021

CHARITY BALANCE SHEET

	Note	2021 £'000	2020 £'000
Fixed Assets			
Intangible assets	10	34	32
Tangible assets – freehold property	11	11,850	11,964
Other tangible assets	12	77	105
Investments:			
Financial and property investments	13	119,236	105,601
Social investments	14	99	133
		131,296	**117,835**
Current Assets			
Social investments	14	32	30
Debtors	15	1,139	4,238
Cash at bank and in hand		3	3,017
		1,174	**7,285**
Creditors: amounts falling due within one year	16a	(3,977)	(2,288)
Net current (liabilities) / assets		(2,803)	4,997
Total assets less current liabilities		**128,493**	**122,832**
Creditors: amounts falling due after more than one year	16b	(1,838)	(1,857)
Total net assets		**126,655**	**120,975**
Charity reserves			
Invested endowment fund	17a	110,468	102,797
Functional endowment fund	17b	12,420	12,520
Roxburgh endowment fund	18	140	123
Designated funds	19	-	-
Unrestricted general fund	20	3,575	5,525
Restricted funds	21	52	10
		126,655	**120,975**

The notes on pages 48 to 77 form part of these financial statements. These financial statements were approved and authorised for issue by the Trustee at the meeting held on 23 June 2022 and were signed on its behalf by:

Moira Brennan (Director)

Harriet Bosnell (Director)

CONSOLIDATED STATEMENT OF CASH FLOWS

	2021 £'000	2020 £'000
Cash flows used by operating activities (note A)	(776)	(7,087)
Cash flows from financing activity		
Cash inflows from new borrowings	1,592	648
Repayments of borrowings	(333)	(291)
Net cash provided by financing activity	1,259	357
Cash flows from investing activities:		
Dividends, interest and rents from investments	4,027	4,080
Costs of generating funds paid by endowment capital	(297)	(212)
Improvements to investment properties	(846)	(2,134)
Movement of cash held by brokers to investments	(139)	(111)
Purchase of investments	(13,337)	(3,768)
Proceeds from the sale of investments	7,282	9,476
Social investments repaid	32	30
Purchase of property, plant and equipment	(225)	(105)
Adjustment to cost of intangible additions due to VAT recovery	-	3
Purchase of intangible assets	(43)	-
Net cash (expended by) / provided by investing activity	(3,546)	7,259
Net (decrease) / increase in cash and cash equivalents	(3,063)	529
Change in cash and cash equivalents in the year	(3,063)	529
Cash and cash equivalents at the beginning of the year	3,168	2,639
Cash and cash equivalents at the end of the reporting period (note B)	105	3,168

NOTE A: Reconciliation of net income to net cash flow from operating activities

	2021 £'000	2020 £'000
Net income / (expenditure) for the year (per Statement of Financial Activities)	5,549	(10,711)
Depreciation and amortisation charges	191	176
Disposal of operational assets	-	76
(Gain)/Loss on investments	(6,598)	10,163
Dividends, interest and rents from investments	(4,027)	(4,080)
(Increase)/Decrease in debtors	3,220	(3,293)
Increase in creditors	592	370
Cost of generating funds from endowed capital	297	212
Cash outflow from operating activities	(776)	(7,087)

NOTE B: Analysis of cash and cash equivalents

	At start of year £'000	Cash-flows £'000	At end of year £'000
Cash	3,168	(3,063)	105
Overdraft	(1,015)	(1,592)	(2,607)
Total	2,153	(4,655)	(2,502)

Notes to the Financial Statements

Principal Accounting Policies

Consolidation

The group financial statements consolidate the financial statements of the charity and its wholly owned subsidiary, St John's Trading Company Ltd ('the subsidiary') for the year ended 31 December 2021. The results of the subsidiary for the year are set out in note 13. The group will be referred to as 'St John's' or 'the charity' throughout these financial statements. All intergroup sales and profits have been eliminated upon consolidation. The Mayor of Bath's Relief Fund (Charity ref. 204649) has not been consolidated as, in line with the exemption granted by the Companies Act 2006, its inclusion is not material for the purpose of giving a true and fair view. The appropriateness of this treatment is reviewed annually.

Basis of preparation

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland ('FRS102 SORP') and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ('FRS102')(effective 1st January 2019) and the Charities Act 2011 and UK Generally Accepted Accounting Practice.

St. John's Foundation Est. 1174 constitutes a public benefit entity as defined by FRS102 and is an unincorporated Charity; its subsidiary is a limited company. The functional currency of the Group is sterling. The registered address of both the Charity and its subsidiary is 4/5 Chapel Court, Bath, BA1 1SQ. The country of incorporation for the subsidiary is the United Kingdom.

Except as set out below, the financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value. Freehold housing properties (operational properties) are shown at deemed cost. Investment properties are shown at their revalued amounts and the investment portfolios are valued at closing market values. These policies have been applied consistently throughout the current and prior year.

The results for the charity and reconciliation of funds are shown in notes 17 to 25. The Charity has also taken qualifying exemptions available to a qualifying entity in FRS 102 from the requirement to present a Charity only cash flow statement.

Notes to the Financial Statements

Principal Accounting Policies (continued)

Assessment of going concern

The Trustees have considered the impact of the Covid-19 pandemic on the Charity's going concern status. The Charity is heavily reliant on its investment portfolio and has seen the capital values and income of both the direct property portfolio and managed investment portfolio reduced as a result of the Covid-19 pandemic. However, due to the level of the unapplied total returns held by the Charity and the discretion that it has over its expenditure, they do not consider that the pandemic will impact the Charity's ability to remain a going concern. To provide ample headroom, overdraft facilities are in place which cover a reasonable worst-case scenario for cash flow.

The charity considers that it has adequate resources to continue in operational existence for the foreseeable future and has adopted the going concern assumption in preparing these financial statements.

Income recognition

Income is recognised when the charity has entitlement to the income, it is probable that the income will be received, and the amount of income receivable can be measured reliably. Dividend income is recognised when the dividend has been declared. Interest on capital is recognised when receivable and the amount can be measured reliably. This is upon notification by our investment advisors or the bank of the dividend or interest yield.

Rental income, from investment properties, is recognised over the term of the lease with any lease incentives spread evenly over the lease term. Particular attention has been given this year to assessing the probability of receiving rental income before it is recognised (see accounting policy "key sources of estimation uncertainty"). Almshouse income represents fees from residents and other service user income and is credited to the unrestricted fund.

Donations and grants

Donations are accounted for when received. Donations subject to specific wishes of the donors are carried to the relevant restricted fund.

Income from government grants is recognised when the conditions of the grant have been met. Where there are no conditions, income is recognised upon receipt.

Notes to the Financial Statements

Principal Accounting Policies (continued)

Expenditure

All expenditure is accounted for on an accruals basis and is recognised when there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All costs have been directly attributed to one of the functional categories of expenditure in the SOFA. The cost of raising funds includes investment management costs, for both our listed and property investments. Expenditure on charitable activities includes the cost of running our almshouses, outreach services and our awards programme. Please also refer to the paragraph below regarding the allocation of support costs to activities.

Funding awards payable

Funding awards payable are payments made to third parties in the furtherance of the charity's objects. In the case of an unconditional award offer this is accrued once the recipient has been notified of the award. Where performance-related conditions are attached the cost of the award is not recognised until there is sufficient evidence that the conditions will be met.

Individual awards are recognised on approval of the award. Multi-year awards for core funding are recognised in full on approval of the award where there are no performance conditions attached.

Irrecoverable VAT

Irrecoverable VAT is charged to the SOFA or capitalised as part of the cost of the related asset, where appropriate. The charity has opted to charge tax on certain commercial properties and recovers the associated input VAT. All other expenses are shown inclusive of non-recoverable VAT.

Allocation of support costs

General management expenses (including depreciation, property costs and the cost of supporting teams) and governance costs are apportioned between charitable activities and raising funds based on the proportion of direct costs associated with each activity. Direct costs exclude direct fees from investment managers and awards granted. In this way, the split of overheads is a closer reflection of the time spent on each activity. Governance costs include audit and accounting fees, and Trustee expenses.

Notes to the Financial Statements

Principal Accounting Policies (continued)

Gifts in kind, donated services or facilities and volunteers

These are estimated and included in the period in which they are received. In accordance with the Charities SORP (FRS102), volunteer time is not recognised in the SOFA. More information about their contribution is explained in the Trustee's annual report.

Intangible fixed assets

Intangible fixed assets are those which lack physical substance but provide an on-going economic benefit for the charity. They are recognised at historic cost and subsequently amortised so as to write off the cost over their expected useful lives, as follows:

Website	3 years / 33% per annum
Software & brands	4 years / 25% per annum

Tangible fixed assets

The limit above which assets are capitalised is £500 (for individual purchases) and £1,000 (aggregated). Office and computer equipment, fixtures and fittings and motor vehicles are stated at cost less depreciation and provision for impairment. Depreciation is calculated to write off the cost of such fixed assets over their expected useful lives; the rate used for this purpose in the charity is 25% per annum on a straight line basis. In the trading company the rates vary more as follows:

Telephone & plants	3 years / 33%
Computer equipment	4 years / 25%
Furniture	5 years / 20%
Other fittings	10 years / 10%

Housing and administrative properties

Housing and administrative properties are included in the financial statement as freehold fixed assets. The cost of freehold housing properties represents deemed cost at 1st January 2014 under transition to FRS102, plus subsequent additions at cost. Assets are stated at deemed cost less accumulated depreciation and any accumulated impairment losses. Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets, other than freehold land, over their expected useful lives, using the straight-line method. The applicable rate is:

Freehold buildings	50 years / 2% per annum

Freehold land is not depreciated. A depreciation rate of 2% is applied to the buildings' cost, which is assessed to be two thirds of the total property value less its residual value.

Notes to the Financial Statements

Principal Accounting Policies (continued)

Fixed asset investments

Investment properties

The charity owns freehold properties and ground rents for long term investment. In accordance with FRS102 these are included in the balance sheet at valuation at 31 December 2021, and the surplus or loss arising on revaluation has been transferred to the relevant reserve.

Quoted investments

Investments are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing market bid price. The SOFA includes the net gains and losses arising on revaluation and disposals throughout the year. The surplus or deficit arising on revaluation has been credited or charged to the Permanent Endowment Fund, Designated Fund or Unrestricted Reserves, as appropriate.

The charity does not have any derivatives or other complex financial instruments.

Social investments

Social investments are in the form of concessionary loans to third parties, which aim to generate a financial return whilst furthering the charitable aims of the charity. As such, they have been classified as mixed-motive investments. These loans are initially recognised at the amount drawn down and the carrying amount then adjusted to reflect capital repayments and any accrued interest and impairment in line with paragraph 21.26 of the FRS 102 SORP.

Investment in subsidiary

The investment in the subsidiary is held at cost.

Taxation

The Charity does not pay tax, provided any surplus or gains are used for charitable purposes. For the subsidiary, current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted at the balance sheet date.

Notes to the Financial Statements

Principal Accounting Policies (continued)

Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity, which the Trustee has decided at its discretion to set aside for a specific purpose. Restricted and endowment funds are subject to specific restrictions imposed by the donor of the income or the Charity Commission. Further explanation of each fund held by the charity is contained in notes 17-23 of these financial statements.

Total return accounting

The Charity Commission permitted the charity to adopt the use of total return in relation to its permanent endowment on 25th September 2012. The power permits the Trustee to invest permanent endowments to maximise total return and to make available an appropriate portion to the total return for expenditure each year. Until this power is exercised the total return shall be an 'unapplied total return' and remain as part of the permanent endowment. The Trustee has used the indexed values of the permanent endowment at 1st January 1995 to present the 'preserved value' of the original gift.

Financial instruments

The charity only has financial assets and financial liabilities that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost. Financial assets include the charity's trade and other receivables. Financial liabilities include the charity's trade creditors, accruals and other creditors.

Debtors

Trade, other debtors and accrued income are recognised at the settlement amount due after any discounts offered. Prepayments are valued at the amount prepaid net of any discounts due.

Cash and cash equivalents

Cash and cash at bank comprise short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Notes to the Financial Statements

Principal Accounting Policies (continued)

Creditors

Creditors are recognised at their settlement amount after allowing for any trade discounts due.

Pension costs

Employees of the charity are entitled to join a defined contribution scheme. The pension costs charged in the year represent the amount of the contributions payable to the defined contribution scheme in respect of the accounting period. The charity's pension contributions for current employees are charged to the SOFA in the year in which the contribution arises. The charity has no liability beyond making its contributions and paying across the deductions for the employees' contributions.

Key sources of estimation uncertainty

Commercial rents
As a result of the national lockdowns in 2020, many of the Charity's commercial tenants have struggled to raise the income needed to meet their rental obligations in full and on time. Whilst 2021 saw an improvement in the situation, lockdowns remained in place for some of the year and a number of tenants still faced financial difficulty. The Charity's staff and agents have been in regular communication with tenants but uncertainty remains over whether the debts due at the year end will be paid. The assumptions made regarding our commercial tenants impact a number of areas in these financial statements, including income recognised, the impairment of debtors, and accrued and deferred income balances. Management have made an assessment based on their knowledge, relationship with the tenant and information available to them at the time of preparing these financial statements.

Notes to the Financial Statements

1. Comparative Consolidated Statement of Financial Activities

	Unrestricted fund £'000	Restricted funds £'000	Endowment fund £'000	Total 2020 £'000
Income and endowments from:				
Charitable activities	856	-	-	856
Investment income	119	6	3,955	4,080
Other trading activities	211	-	-	211
Donations and legacies	31	18	-	49
Transfer to income	4,578	-	(4,578)	-
Total income	**5,795**	**24**	**(623)**	**5,196**
Expenditure:				
Expenditure on charitable activities:				
Residential care & support:	1,735	1	114	1,850
Funding and impact	1,929	58	-	1,987
Community outreach	290	2	-	292
Total expenditure on charitable activities	3,954	61	114	4,129
Cost of raising funds	1,262	-	212	1,474
Other expenditure	141	-	-	141
Total expenditure	**5,357**	**61**	**326**	**5,744**
Net income / (expenditure) before investment (losses) / gains	**438**	**(37)**	**(949)**	**(548)**
Net gains / (losses) on investments	(268)	-	(9,895)	(10,163)
Net income	170	(37)	(10,844)	(10,711)
Transfers between funds	-	-	-	-
Net income and net movement in funds	**170**	**(37)**	**(10,844)**	**(10,711)**
Reconciliation of funds:				
Total funds brought forward	5,586	10	115,366	120,962
Total funds carried forward	**5,756**	**(27)**	**104,522**	**110,251**

Notes to the Financial Statements

2. Income

2a. Investment income

Consolidated	Unrestricted fund	Restricted fund	Permanent endowment fund	2021	2020
	£'000	£'000	£'000	£'000	£'000
Commercial investment properties	-	-	2,233	2,233	2,458
Residential investment properties	-	-	759	759	737
Property investment income	**-**	**-**	**2,992**	**2,992**	**3,195**
Interest received on social investment	-	-	6	6	7
Listed investments	-	7	1,022	1,029	875
Interest on cash deposits	-	-	-	-	3
Non-property investment income	**-**	**7**	**1,028**	**1,035**	**885**
Total	**-**	**7**	**4,020**	**4,027**	**4,080**

2b. Government grants

Included within donations and legacies is £1,000 (2020: £26,000) in respect of government grants. This was an Infection Control grant, received from Bath & North East Somerset Council, to cover additional staff cost incurred as a result of Covid-19 restrictions prohibiting the movement of staff across sites. The group also benefited from business rates relief in 2021.

3. Total expenditure on charitable activities

	Staff costs	Depreciation	Other costs	2021	Restated 2020
	£'000	£'000	£'000	£'000	£'000
Older adults services	979	152	852	1,983	1,850
Funding and impact	406	11	1,923	2,340	1,988
Total	**1,385**	**163**	**2,775**	**4,323**	**4,129**

4. Total cost of raising funds

	Staff costs	Depreciation	Other costs	2021	2020
	£'000	£'000	£'000	£'000	£'000
Property investment management costs	527	24	981	1,532	1,391
Other investment management costs	-	-	133	133	83
Total	**527**	**24**	**1,114**	**1,665**	**1,474**

Notes to the Financial Statements

5. Other expenditure

	Staff costs £'000	Depreciation £'000	Other costs £'000	2021 £'000	2020 £'000
Trading expenditure	50	4	343	396	141
Total	50	4	343	396	141

6. Governance costs

The charity identifies the costs which relate to the charity's governance function and these are recorded as part of the total costs of raising funds (see note 4) and expenditure on charitable activities (see note 3). Governance costs are detailed as follows:

	2021 £'000	2020 £'000
Auditor fees (including irrecoverable VAT):		
- for audit services	17	19
Accountancy and other professional services	8	6
Trustee expenses	5	5
Corporation tax payable by trading company	-	-
	30	30

These have been split across activities:

		Restated
Older adults services	11	13
Funding and impact	6	5
Property operational costs	13	12
	30	30

Auditor fees for audit services as stated above include irrecoverable VAT and are dependent upon best estimates of accrued costs. In 2021, actual fees (net of VAT) were £15,500 (2020: £15,000).

7. Funding and impact

	2021 £'000	2020 £'000
Individual funding	248	359
Organisational funding	1,494	1,110
Funding and impact departmental costs	598	518
	2,340	1,987

St John's awarded grants to a number of individuals and organisations in furtherance of its charitable activities. During 2021, a total of 80 (2020: 76) new awards were made to organisations. For awards payable to individuals, the maximum amount payable is usually £1,500 (2020: £1,500) over three years. Following increases in the cost of living, the limit has been increased to £1,800 from 1 January 2022.

Notes to the Financial Statements

7. Funding and impact (continued)

Recipients of organisational funding awards:

All organisation awards with a combined total of £15,000 or over paid in the year to charitable groups as part of the £1,494,000 above are shown below.

Organisation	Project	Amount (£)
Brighter Futures	PEP Emotional & Behavioural Support	230,076
HCRG Care Group	Language for Life Pilot	78,041
HCRG Care Group	PEP Oracy Support	72,179
Roundhill Primary School	Roundhill Reading and Writing Support	60,100
Castle Primary School	Castle Primary School Reading and Writing Support	57,000
Bath Recreation Limited	Glasshouse Activity Club	50,000
St Michaels Junior School	St Michael's Reading and Writing Support	47,600
B&NES Council	Language for Life Pilot	42,981
St Martin's Garden Primary School	St Martin's Garden Reading and Writing Support	41,600
Trading with Schools - Bristol City Council	PEP Reading and Writing Support	39,000
Developing Health & Independence	Resolve to Stop the Violence (2019-2022)	38,762
Twerton Infants School	Twerton Infants Reading and Writing Support	38,100
St Keyna Primary School	St Keyna Reading and Writing Support	37,100
B&NES Council	Health Improvement Officer - Food Poverty	36,548
3SG	3SG Core Funding	30,533
FareShare South West	No Child Should Go Hungry in B&NES 2021-2022	30,000
SARSAS	Support for Survivors of Rape and Sexual Abuse	30,000
Citizens Advice	Debt Caseworkers	30,000
We Hear You	Talking Bollocks!	30,000
HorseWorld Trust	Discovery	25,000
Bright Start Childrens Centre	Trauma Counselling - PEWP	24,752
St Mary's Primary School Writhlington	St Mary's Writhlington Reading and Writing Support	22,580
Bath Rugby Foundation	Raising the Game Secondary	21,733
Mercy in Action	Combined smaller awards for other projects <£15k	21,280
Bath City FC Community Sports Foundation	Bath City FC Foundation Project Manager	20,425
Bluebell Care Trust	Mum's Comfort Zone - PEWP	20,075
White Rose Maths	PEP Numeracy Support	20,000
Designability	Designability Workshop Relocation and Expansion	20,000
Citizens Advice	Business Development, Fundraising and Marketing Su	20,000
Ruth Miskin	PEP Reading and Writing Support	19,440
The Nest Project	The Nest Project	19,400
VOICES	Combined smaller awards for other projects <£15k	16,625
B&NES Council	Children and Young People's Network	16,494
St Mary's Primary School Writhlington	Combined smaller awards for other projects <£15k	15,502
B&NES Council	Combined smaller awards for other projects <£15k	10,129
Twerton Infants School	Combined smaller awards for other projects <£15k	8,450
Bluebell Care Trust	Combined smaller awards for other projects <£15k	8,250
St Michaels Junior School	Combined smaller awards for other projects <£15k	8,000
St Martin's Garden Primary School	Combined smaller awards for other projects <£15k	7,467
Castle Primary School	Combined smaller awards for other projects <£15k	7,450
Roundhill Primary School	Combined smaller awards for other projects <£15k	7,450
St Keyna Primary School	Combined smaller awards for other projects <£15k	7,450
HCRG Care Group	Combined smaller awards for other projects <£15k	3,300
Bath City FC Community Sports Foundation	Combined smaller awards for other projects <£15k	2,750
The Nest Project	Combined smaller awards for other projects <£15k	1,945

Notes to the Financial Statements

8. Staff costs and remuneration of key management personnel

	2021 £'000	2020 £'000
Wages and salaries	1,550	1,724
Social security costs	151	161
Pension costs	156	172
Other employee benefits	20	17
Redundancy costs	118	61
Agency staff costs	1	7
	1,996	2,142

Redundancy costs were payable to staff whose jobs were made redundant as part of their final salary received from the charity. All amounts had been fully paid by the balance sheet date. Costs are recognised when there is an obligation to make the redundancy payment.

The average number of persons employed by the Group during the year and the prior year was:

	2021 number	2020 number
Older Adults Services	18	22
Funding & Impact	4	5
Management, Administration & Other	26	29
	48	56

Due to the restructuring of services in 2021, the 2020 comparatives have been amended to reflect the new service headings

The number of employees whose emoluments were in excess of £60,000 per annum, excluding pension costs and employer's NIC, fell within the following bands:

	2021 number	2020 number
£70,001 - £80,000	-	1
£80,001 - £90,000	1	1
£90,001 - £100,000	1	1
£100,001 - £110,000	1	1
	3	4

St John's considers its key management personnel to comprise the directors of the Trustee and the executive team. The employer pension contributions made in respect of key management personnel to the defined contribution scheme amounted to £28,000 (2020: £32,000).

No enhanced or special terms apply and there are no additional pension arrangements for these employees. The total employment benefits, including employer pension and national insurance contributions of the key management personnel were £345,000 (2020: £430,000).

Notes to the Financial Statements

9. Related party transactions and trustees' expenses and remuneration

Transactions between the Charity and the Trading Subsidiary
Rent of £97,500 was charged by the Charity in 2021 for St Catherine's Hospital, the Trading Company's site of operations (2020: £97,778). Also, costs relating to St Catherine's Hospital (such as insurance, utilities and repairs) were recharged to the Trading Company at cost. This amounted to £18,325 in 2021 (2020: £22,229).

A lease incentive of £33,763 was granted by the Charity in 2021 for House of St Johns, the Trading Company's new venture (2020: £0). Also, costs relating to House of St Johns (such as insurance, utilities and repairs, recharge of staff time) were recharged to the Trading Company at cost. This amounted to £77,805 in 2021 (2020: £0), of which £35,717 (2020: £0) was due at the balance sheet date.
The Charity invoiced the Trading Company for management fees of £4,528 (2020: £4,050) in the year, of which £1,258 (2020: £4,050) was due at the balance sheet date. Finally, a loan was provided by the Charity to the Trading Company (see note 15).

Trustee expenses
During 2021, all the directors of the Trustee continued to give their time and expertise without any form of remuneration or other benefit in cash or kind (2020: £nil).
Expenses paid to the directors of the Trustee in 2021 totalled £434 (2020: £130). These expenses were paid to one director (2020: two directors) for travel and subsistence. Finally, the Charity incurred catering costs for farewell dinners, lunches prior to Board meetings, and selection panels of £0 (2020: £836).
Trustee indemnity insurance was purchased by the charity on behalf of the Trustee. The sum insured was £5m in both 2020 and 2021. The cost of the policy was £4,805 (2020: £3,696).

Other transactions with related parties are summarised as follows:

		Payments made	
Related party	**Nature of relationship**	**2021**	**2020**
		£	**£**
Developing Health and Independence	Mrs S Davies is a Trustee	-	39,837
Bath Business Improvement District	Mr D Hobdey is a Director and Chair	6,181	6,181
The Bath Rugby Community Foundation	Mrs L Harvey is a Trustee	21,733	35,845
Holy Trinity Church (Combe Down)	Mr D Purdon is a Trustee	-	160
Curo	Mrs H F Bosnell is a Director	11,730	80,682
Twerton Infant School	Mr D Hobdey is a Governor	46,550	7,000
Mulberry Park Community Benefit Society	Mrs H F Bosnell is a Director	1,018	-

In addition to the transactions presented above, £0 was received from the Mayor of Bath's Relief Fund in the year (2020: £675) in respect of repayments for awards which were initially paid from the Charity in error. All the Charity's Trustees are also Trustees of the Mayor of Bath's Relief Fund. All transactions were executed in the normal course of business.

During the year, Mr D Hobdey (CEO of the Charity) was granted a short-term licence to occupy Flat 1 of Chandos House, at market rent of £950 per month. The market rent was in line with an independent letting agent's valuation. The property was vacant and still being marketed during this period, with the licence to occupy being granted under the condition viewings would continue to be carried out, and notice would be given if a buyer was found. Total income of £1,575 (2020: £0) was received from this tenancy, of which £1,137 (2020: £0) was due at the balance sheet date. The licence to occupy lasted 50 days and Mr Hobdey moved out shortly after year end.

During the year, the partner of the son of a close family friend of Mr D Hobdey (CEO of the Charity) moved into a flat within the investment portoflio. This was part of the normal course of business: the letting being managed by local estate agents who advertised the flat on the open market and advised on market rent and the suitability of tenants.

There were no transactions with the Trustee or other related parties during the year, other than those disclosed above (2020: none). No balances were outstanding to or from related parties at the year-end (2020: none).

Notes to the Financial Statements

10. Intangible assets

Consolidated and charity	Consolidated 2021 £'000	Charity 2021 £'000
Cost		
At 1 January 2021	80	80
Additions	43	22
Disposals	-	-
At 31 December 2021	123	102
Accumulated amortisation		
At 1 January 2021	48	48
Charge	21	20
Eliminated on disposal	-	-
At 31 December 2021	69	68
Net book value		
At 31 December 2021	54	34
At 31 December 2020	32	32

Notes to the Financial Statements

11. Tangible assets - freehold property

Consolidated	City centre almshouses £'000	Combe Park almshouse £'000	Operational properties £'000	Magdalen chapel £'000	Total £'000
Cost/valuation					
At 1 January 2021	8,925	3,749	2,884	740	16,298
Additions	-	-	7	7	14
Disposals	-	-	-	-	-
At 31 December 2021	8,925	3,749	2,891	747	16,312
Accumulated depreciation					
At 1 January 2021	3,875	259	160	51	4,345
Charge for the year	55	37	29	7	128
At 31 December 2021	3,930	296	189	58	4,473
Net book value					
At 31 December 2021	4,995	3,453	2,702	689	11,839
At 31 December 2020	5,050	3,490	2,724	689	11,953

Charity	City centre almshouses £'000	Combe Park almshouse £'000	Operational properties £'000	Magdalen chapel £'000	Total £'000
Cost/valuation					
At 1 January 2021	8,936	3,749	2,884	740	16,309
Additions	-	-	7	7	14
Disposals	-	-	-	-	-
At 31 December 2021	8,936	3,749	2,891	747	16,323
Accumulated depreciation					
At 1 January 2021	3,875	259	160	51	4,345
Charge for the year	55	37	29	7	128
At 31 December 2021	3,930	296	189	58	4,473
Net book value					
At 31 December 2021	5,006	3,453	2,702	689	11,850
At 31 December 2020	5,061	3,490	2,724	689	11,964

Notes to the Financial Statements

12. Other tangible fixed assets

Consolidated	Office equipment £'000	Fixtures and fittings £'000	Computer systems £'000	Motor vehicles £'000	Total £'000
Cost					
At 1 January 2021	28	456	17	12	513
Additions	-	188	26	-	214
Disposals	-	-	-	(12)	(12)
At 31 December 2021	28	644	43	-	715
Accumulated depreciation					
At 1 January 2021	22	362	12	12	408
Charge for the year	6	33	3	-	42
Eliminated on disposal	-	-	-	(12)	(12)
At 31 December 2021	28	395	15	-	438
Net book value					
At 31 December 2021	-	249	28	-	277
At 31 December 2020	6	94	5	-	105

Charity	Office equipment £'000	Fixtures and fittings £'000	Computer systems £'000	Motor vehicles £'000	Total £'000
Cost					
At 1 January 2021	28	456	17	12	513
Additions	-	-	10	-	10
Disposals	-	-	-	(12)	(12)
At 31 December 2021	28	456	27	-	511
Accumulated depreciation					
At 1 January 2021	22	362	12	12	408
Charge for the year	6	30	2	-	38
Eliminated on disposal	-	-	-	(12)	(12)
At 31 December 2021	28	392	14	-	434
Net book value					
At 31 December 2021	-	64	13	-	77
At 31 December 2020	6	94	5	-	105

Notes to the Financial Statements

13. Financial and property investments

Consolidated	Investment property £'000	Listed investments £'000	Total £'000
Market value at 1 January 2021	67,675	37,876	105,551
Additions to investments at cost	846	13,337	14,183
Disposal proceeds	-	(7,282)	(7,282)
(Losses) / gains	1,654	4,941	6,595
Movement in cash held by brokers for reinvestment	-	139	139
Market value at 31 December 2021	70,175	49,011	119,186

All investments are carried at their fair value. Investments in equities and fixed interest securities are all traded on public markets. The fair value for quoted investments is the market value, using the bid price. The charity's commercial investment properties were re-valued by Jones Lang LaSalle Limited, Chartered Surveyors, and its residential investment properties by Philip Jennings, Chartered Surveyors, on the basis of discounted cash flow at 31 December 2021.

Social investments also form part of the charity's investments (note 14).

Charity	Trading subsidiary £'000	Investment property £'000	Listed investments £'000	Total £'000
Market value at 1 January 2021	50	67,675	37,876	105,601
Additions to investments at cost	-	846	13,337	14,183
Disposal proceeds	-	(3)	(7,282)	(7,285)
(Losses) / gains	-	1,657	4,941	6,598
Movement in cash held by brokers for reinvestment	-	-	139	139
Market value at 31 December 2021	50	70,175	49,011	119,236

Notes to the Financial Statements

13. Financial and property investments (continued)

The charity owns the entire share capital of St John's Hospital Trading Company Ltd, a company incorporated in England and Wales - company registration number 08632453. The share capital of St John's Hospital Trading Company Ltd comprises 50,000 ordinary shares of £1, which are all wholly owned by the charity. The principal activity of St John's Hospital Trading Company Ltd is to manage serviced apartments and procure services on behalf of St. John's Foundation Est. 1174.

The trading results of the subsidiary were as follows:	2021 £'000	2020 £'000
Turnover	403	208
Cost of sales	-	-
Gross profit	403	208
Administrative epenses	(74)	(14)
Operational expenses	(462)	(235)
Other income	-	25
Operating (loss)/profit	(133)	(16)
Interest payable	(1)	-
(Loss)/profit before tax	(134)	(16)
Taxation	-	3
(Loss)/profit after tax	(134)	(13)

The aggregate of the assets, liabilities and funds as at 31 December was:	2021 £'000	2020 £'000
Total assets	370	219
Total liabilities	(453)	(168)
Shareholders' funds	(83)	51

14. Social investments

Consolidated and charity	2021 £'000	2020 £'000
Mixed motive investments:		
Receivable in more than one year	99	133
Receivable in less than one year	32	30
	131	163

The mixed motive investment above represents two concessionary loans to a single party drawn down together on 28th October 2015, secured by a legal charge over freehold property and charged interest at a rate of 4%.

At the year end there were no amounts committed but undrawn (2020: nil), and no amounts that had been approved subject to the agreement of terms (2020: nil).

Notes to the Financial Statements

15. Debtors

	2021 £'000	2020 £'000
Consolidated		
Trade debtors	462	203
Prepayments and accrued income	482	3,955
Taxation and social security	9	17
Other debtors	4	2
	957	4,177
Charity		
Trade debtors	454	142
Prepayments and accrued income	481	3,955
Taxation and social security	-	14
Other debtors	4	2
Amounts owed by subsidiary	200	125
	1,139	4,238

Included within consolidated prepayments and accrued income are lease incentive adjustments of £174,000 (2020: £274,000), of which £159,000 are due in more than one year (2020: £243,000). Within amounts owed by the subsidiary is £200,000 of a loan and £1,000 of interest accruing against this. The loan agreement was entered on an arms length basis at a market rate of interest (4.2% above base) and the Charity has taken a charge over the assets of the trading company as security. The loan agreement provides for up to £480,000 to be drawdown on loan which is repayable in equal instalments over 8 years from September 2022. At the year end £180,000 of the loan was due in more than one year. Also included within amounts owed to subsidiary are prepayments and accrued income of £151,000 (2020: £70,000 reclassified from prepayments and accrued income). Offsetting trade debtors is a bad debt provision of £217,000 (2020: £157,000).

Notes to the Financial Statements

16a. Creditors: amounts falling due within one year

Consolidated	2021 £'000	2020 £'000
Bank overdrafts	2,607	1,015
Loans repayable upon demand	204	518
Trade creditors	317	198
Accruals and deferred income	972	488
Taxation and social security	43	46
Other creditors	57	65
	4,200	2,330

Charity	£'000	£'000
Bank overdrafts	2,607	1,015
Loans repayable upon demand	204	518
Trade creditors	238	161
Accruals and deferred income	800	483
Taxation and social security	71	46
Other creditors	57	65
	3,977	2,288

The bank overdrafts are secured against assets of the Charity. The loans repayable on demand are amounts due to lifetime leasehold tenants for their leases which is repayable when the properties are vacated.

Included within other creditors is £16,000 (2020: £11,000) representing the amount held as agent for a small unincorporated voluntary organisation called Bath Woman's Fund for which St John's Foundation has agreed to administer funds and act as an agent. No other amounts were received or paid out in the year in relation to this fund.

Notes to the Financial Statements

16a. Creditors: amounts falling due within one year (continued)

Deferred income movement:

	Charity £'000	Group £'000
Balance at 1 January 2021	145	145
Amount released in the year	(1,309)	(1,309)
Amount deferred in the year	1,631	1,631
Balance at 31 December 2021	467	467

Deferred income is made up of rental income received in advance of the accounting period to which it relates.

16b. Creditors: amounts falling due after more than one year

Consolidated and charity	2021 £'000	2020 £'000
Loans repayable upon demand	1,838	1,857

Notes to the Financial Statements

17a. Invested endowment fund

The permanent invested endowment fund represents the funds of the charity derived from gifts and legacies received since its foundation. It is to be held and maintained in perpetuity. Investment income and surpluses or deficits arising on the sale or revaluation of investment properties and investments are transferred to the permanent endowment fund. Expenses incurred in the administration or protection of the endowment investments are charged to the fund. From 1st January 2013, the Trustee has adopted the use of total return accounting in relation to its investment.

Total return investment

The investment power of total return was granted by the Charity Commission on 25th September 2012. The power permits the Trustee to invest permanent endowments to maximise total return and to make available an appropriate portion of the total return for expenditure each year. Until this power is exercised in full, that portion of the total return which is in excess of the amount required to preserve the value of the permanent endowment, shall be an 'unapplied total return' and remain as part of the permanent endowment. The Trustee has used the indexed values of the permanent endowment at 1st January 1995 to represent the 'preserved value' of the original gift.

Under specific powers in the governing Scheme, the Trustee monitors the investment performance in terms of maintaining the purchasing power of the core endowment against inflation, while enabling the charity to commit to a long-term spending rate of 4% of the three-year average value of the permanent endowment.

The amounts set as opening unapplied return, together with the amount allocated to income in the year from the unapplied total return, and the amount of unapplied total return allocated to capital in the reporting period (in order to maintain the real value of the original gift) are disclosed below.

Notes to the Financial Statements

17a. Invested endowment fund (continued)

Consolidated	Permanent endowment fund £'000	Unapplied total return £'000	Total £'000
At 1 January 2020	42,545	70,883	113,428
Movements in the reporting period:			
Investment income	-	3,955	3,955
Realised and unrealised gains	-	(9,869)	(9,869)
Less: property operational and investment management costs	-	(212)	(212)
Total return for the year	-	(6,126)	(6,126)
Unapplied total return allocated to income	-	(4,578)	(4,578)
Transfer to unrestricted funds to reflect 2017 gains	510	(510)	-
	510	(11,214)	(10,704)
At 1 January 2021	43,055	59,669	102,724
Movements in the reporting period:			
Investment income	-	4,020	4,020
Realised and unrealised losses	-	6,578	6,578
Less: property operational and investment management costs	-	(297)	(297)
Total return for the year	-	10,301	10,301
Unapplied total return allocated to income	-	(2,762)	(2,762)
CPI uplift	2,325	(2,325)	-
	2,325	5,214	7,539
At 31 December 2021	45,380	64,883	110,263

The above figures exclude the functional endowment fund (note 17b) and the Roxburgh endowment fund (note 18).

Notes to the Financial Statements

17a. Invested endowment fund (continued)

Charity	Permanent endowment fund £'000	Unapplied total return £'000	Total £'000
At 1 January 2020	42,545	70,858	113,403
Movements in the reporting period:			
Investment income	-	4,053	4,053
Realised and unrealised gains	-	(9,869)	(9,869)
Less: property operational and investment management costs	-	(212)	(212)
Total return for the year	-	(6,028)	(6,028)
Unapplied total return allocated to income	-	(4,578)	(4,578)
RPI uplift	510	(510)	-
	510	(11,116)	(10,606)
At 1 January 2021	43,055	59,742	102,797
Movements in the reporting period:			
Investment income	-	4,152	4,152
Realised and unrealised losses	-	6,578	6,578
Less: property operational and investment management costs	-	(297)	(297)
Total return for the year	-	10,433	10,433
Unapplied total return allocated to income	-	(2,762)	(2,762)
CPI uplift	2,325	(2,325)	-
	2,325	5,346	7,671
At 31 December 2021	45,380	65,088	110,468

The above figures exclude the functional endowment fund (note 17b) and the Roxburgh endowment fund (note 18).

Notes to the Financial Statements

17b. Functional endowment fund

The functional endowment is that part of the endowment which is held for operational, rather than investment purposes, and is therefore not included in total return calculations. The assets which make up the functional endowment are those which were almshouses at the time the 2012 Scheme was approved (Chapel House, Fitzjocelyn / John Wood House, Rosenberg House, Chandos House, Combe Park), and Magdalen Chapel. The functional endowment also includes £1.925m (2020: £1.925m) set aside for future almshouse provision under the 2017 Scheme when the change of use of Chandos and St Catherine's was approved.

Charity & Consolidated	2021 £'000	2020 £'000
Balance brought forward	12,520	12,634
(Deficit)	(114)	(114)
Transfers	14	-
Balance carried forward	12,420	12,520

18. Roxburgh endowment fund

Consolidated and charity	2021 £'000	2020 £'000
Balance brought forward	123	149
Valuation gains / (losses)	17	(26)
Balance carried forward	140	123

The Roxburgh permanent endowment fund has been shown separately in these notes as, unlike the rest of the charity's endowed funds, the income from this fund has a restricted purpose: to provide relief for single woman over the age of 50 in the Bath area.

19. Designated fund

Extraordinary repairs fund

Consolidated and charity	2021 £'000	2020 £'000
Balance brought forward	-	826
Investment management cost	-	(2)
Unrealised gain / (loss) on revaluation	-	(35)
Transfers	-	(789)
Balance carried forward	-	-

The fund was set up to ensure that monies are available to cover unplanned repairs to the almshouses, in instances where no other funds are available. Upon review, the Trustees decided to release the designated fund in 2020.

Notes to the Financial Statements

20. Unrestricted fund

The unrestricted fund is the retained annual surplus of investment income over the deficit on the provision of almshouse accommodation, the cost of grants and community outreach activities. Surpluses are available at the discretion of the Trustee for maintenance of the permanent endowment and other purposes to achieve the charitable objectives of the charity.

	2021	2020
Consolidated	**£'000**	**£'000**
Realised and unrealised (losses) / gains	-	(233)
Operating result	(4,698)	(4,138)
Total return transfer from permanent endowment fund	2,762	4,578
Transfer of designated fund	-	789
Transfer of functionally endowed asset additions	(14)	-
Net movement in the year	(1,950)	996
Balance brought forward	5,586	4,590
Balance carried forward	3,636	5,586
Charity		
Realised and unrealised (losses) / gains	-	(233)
Operating result	(4,698)	(4,219)
Total return transfer from permanent endowment fund	2,762	4,578
Transfer of designated fund	-	788
Transfer of functionally endowed asset additions	(14)	-
Net movement in the year	(1,950)	914
Balance brought forward	5,525	4,611
Balance carried forward	3,575	5,525

Notes to the Financial Statements

21. Restricted funds

Consolidated and charity (as at 31 December 2021)	Joseph Matthews Foundation £'000	Roxburgh £'000	Feeding Britain £'000	Infection Control Fund £'000	Total £'000
Balance brought forward	-	10	-	-	10
Income	40	7	1	2	50
Expenditure	-	(5)	(1)	(2)	(8)
Balance carried forward	40	12	-	-	52

Consolidated and charity (as at 31 December 2020)	Joseph Matthews Foundation £'000	Roxburgh £'000	Feeding Britain £'000	Infection Control Fund £'000	Total £'000
Balance brought forward	38	9	-	-	47
Income	-	6	18	1	24
Expenditure	(38)	(5)	(18)	(1)	(61)
Balance carried forward	-	10	-	-	10

Joseph Matthews Foundation
A restricted legacy was provided to the charity to support St John's in community outreach activities for those in Bath over 75 years of age.

22. Transfers

	Endowment fund £'000	Unrestricted fund £'000
Transfer of unapplied total return to income	(2,762)	2,762
Transfer of functionally endowed asset additions to relevant fund	14	(14)

Notes to the Financial Statements

23. Analysis of net assets between funds

Consolidated As at 31 December 2021	Invested endowment fund £'000	Functional endowment fund £'000	Roxburgh endowment fund £'000	Restricted fund £'000	Designated fund £'000	Unrestricted fund £'000	Total £'000
Tangible fixed assets	-	10,495	-	-	-	1,621	12,116
Intangible fixed assets	-	-	-	-	-	54	54
Investments	110,132		140	-	-	8,915	119,186
Social investments	131	-	-	-	-	-	131
Cash and bank balances	-	1,925	-	52	-	(1,872)	105
Other current assets and liabilities	-	-	-	-	-	(5,081)	(5,081)
	110,263	12,420	140	52	-	3,636	126,511

Consolidated As at 31 December 2020	Invested endowment fund £'000	Functional endowment fund £'000	Roxburgh endowment fund £'000	Restricted fund £'000	Designated fund £'000	Unrestricted fund £'000	Total £'000
Tangible fixed assets	-	10,595	-	-	-	1,463	12,058
Intangible fixed assets	-	-	-	-	-	32	32
Investments	102,560		123	-	-	2,868	105,551
Social investments	163	-	-	-	-	-	163
Cash and bank balances	-	1,925	-	10	-	1,233	3,168
Other current assets and liabilities	-	-	-	-	-	(10)	(10)
	102,723	12,520	123	10	-	5,586	120,962

Notes to the Financial Statements

24. Charitable and capital commitments

Capital expenditure commitments:	2021	2020
	£'000	£'000
Legal commitment to build almshouses	1,925	1,925
1 Queen Square	-	281
12/12a Old Bond Street	-	144
	1,925	2,350

The legal commitment with the Charity Commission to build almshouses is also reflected in the functional endowment fund (note 17b).

The charity acts as lessor for its commercial and residential investment property portfolios and is contractually entitled to receive future income. The future minimum lease payments under non-cancellable operating leases expected to be received by the charity and Group are due as follows:

	2021	2020
	£'000	£'000
Within one year	1,791	1,966
Between one and five years	5,139	5,377
After five years	11,097	11,824

The charity leases parking spaces for staff using the head office. The future minimum lease payments under non-cancellable operating leases by the charity and Group are due as follows:

	2021	2020
	£'000	£'000
Within one year	34	32
Between one and five years	73	10

At the year end the charity had the following conditional grant-making commitments:

Within one year	1,032	334
Between one and five years	974	-

25. Pensions

The charity operates a defined contribution scheme for the benefit of the employees. During the year £142,000 (2020: £158,000) was payable into the defined contribution scheme. The amount due at the year end was £16,000 (2020: £19,000). Included within 'pension costs' in note 8 are pension scheme management fees payable of £14,000 (2020: £14,000).

ST. JOHN'S FOUNDATION EST. 1174

England & Wales - Charity number 201476

Accounts

ST JOHN'S FOUNDATION EST. 1174



2020 Annual Report

And consolidated financial statements for year ended 31 December 2020

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REGISTERED CHARITY 201476
PATRON: HRH THE DUCHESS OF CORNWALL

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TRUSTEES' ANNUAL REPORT

The Trustees present their annual report and the consolidated financial statements and results of St John's Foundation Est. 1174 ('St John's') and its subsidiary, St John's Hospital Trading Company Ltd for the year ended 31 December 2020. The report is prepared in line with the Charities Act 2011 and SORP (FRS 102).

Originally founded in 1174, St John's Foundation remains one of the oldest charities in Europe, and the oldest in the city of Bath. Over our 847-year history, we have continuously adapted to meet our community's needs. Founded as an almshouse charity by the fourth Bishop of Bath, we remain true to our original aims, centered on supporting those in need in the local community. The objects of the Charity are the provision of almshouse accommodation and the relief of those who are in need by reason of age, ill-health, disability, financial hardship or other disadvantage within Bath and the surrounding area. We reflect this in our purpose "Changing lives. For good."

In February 2020, we launched a new, bold and ambitious 10-year strategy to deliver our purpose and set out a new vision. We will continue to change lives through our Older Adults Services, providing alms-apartments and helping older adults across the area to live independently for as long as possible. In addition, we have launched the St John's Foundation Fund. This new initiative has been set up to address two key areas - inequality of opportunity for children and individuals and families facing crisis.

One of the Fund's overarching aims, relating to inequality of opportunity for children, is to significantly reduce the Key Stage 2 educational attainment gap in Bath and North East Somerset by 2030.



Despite its beauty and affluent veneer Bath and North East Somerset is one of the most unequal regions in the UK. Currently, it is estimated over 8,000 children live in poverty in the region with 3,500 in receipt of free school meals; this equates to 1 in 5 children. The unstable circumstances in which these children grow up leads to unmet physical, emotional and educational needs and BaNES is ranked 146 out of 152 in the national educational attainment gap table.

We know these inequalities transmit into later life outcomes affecting lifelong health, well-being, career opportunities and wealth. Focusing our strategy on addressing inequalities at an early age will therefore not only relieve current need but the potential for even greater future need too. We are galvanised into action to ensure that every child from birth to twelve years old is supported to grow into a healthy, happy and educated member of our community. This is our vision for the Foundation Fund.

Since the start of the pandemic, St John's, together with partner organisations in Bath and North East Somerset has reported a 50% increase in the number of people seeking support through our crisis support fund with debt.

Local house prices in Bath are now some of the highest in the land, with salaries some of the lowest. Wealth and poverty sit hand in hand in the region. Over the years this disparity has motivated St John's to extend its charitable reach and offer support to disadvantaged children and families.

The region's population is ageing, in line with the demographic trends of the developed world, and support for older adults, therefore, also remains at the heart of our strategy. We continue to provide high quality alms accommodation that supports independent living for older adults and augment this with services that can be accessed by the wider population of older adults in the community.

In addition, our new strategy will enable us to hone our expertise in the provision of funding and become the initiator of major societal change in our region. Through the Foundation Fund, St John's will play an integral part in bringing about transformation in BaNES, creating a platform for diverse organisations to collaborate and support childhood development.

Our purpose, "Changing Lives, for Good", underpins all that we do, be it through the services we deliver directly or how we interact with other organisations to support the delivery of services by third parties.

How we can best deliver our charitable objects and ensure the public benefits is important to us. The Trustees have therefore given due consideration to the Charity Commission's published guidance on the Public Benefit requirement under the Charities Act 2011 in setting its 10 year strategy, in agreeing the aims and objectives of the charity, in setting future plans and in determining its funding awards policy. The main activities undertaken to further the Charity's purpose for the public benefit are set out on the following pages.



OUR AMBITIOUS VISION

Over the following nine years we will manage our investments so we can:

- Continue to enable older adults to live well through both the provision of almshouses and community outreach services
- Continue to provide funding for individuals in crisis
- Focus on building communities where every child under 12 is supported to grow into a healthy, happy and educated member of the community. We will lead change in our communities so that every child has:

  - Nutritious food every day
  - A safe place outside school hours
  - Professional support for behavioral and emotional needs
  - Extra help with foundational reading, writing, oracy and mathematics.



OUR PERFORMANCE

The Foundation Fund

Since launching the Foundation Fund in early 2020, St John's has been developing a framework for delivery of its strategy over a 10-year period. Working with a number of different departments of the Local Authority, the University of Bath, Multi-Academy Trust Chief Executives, Primary School Head-teachers, regional representatives of the Department for Education, the Educational Endowment Fund, Public Health England and other organisations and expert advisers, St John's has set about determining the interventions and related support required to ensure its strategic aims will be met.

With uncertainty and pressure created by the Covid-19 pandemic and related 'lockdown' restrictions put in place from March 2020, we focused initially on our aim to ensure children have access to nutritious food. We have been instrumental in establishing the BaNES Fair Food Alliance, in partnership with BaNES Council and Feeding Britain, another UK charity. The provision of funding and other related work has helped to significantly reduce food poverty in families and children in the BaNES region and will continue through 2021 and beyond.

- ✓ In partnership with Feeding Britain, the Foundation Fund awarded **£30,000** to support a range of projects providing nutritious food and positive activities to children during the summer holidays.

- ✓ St John's also worked with the local authority and 3SG, another local charity, to support and advise on the distribution of a further **£65,000**. These funds were focussed on affordable food projects serving children and families in some of Bath and North East Somerset's most deprived communities.

As 2020 progressed, the concept of a 'Primary Empowerment Programme' emerged from research with our collaborators. This is focused on the seven primary schools within the local area with the highest levels of disadvantaged children among their pupil populations (as determined by entitlement to free school meals). In spite of the particular challenges faced by our seven schools, wrought by the pandemic, agreement had been reached with all of them, by the end of 2020, regarding the approach to be taken in finalising the first areas of work for the Primary Empowerment Programme. Although focused most strongly on providing support for children's emotional and behavioural development and on extra help with foundational reading, writing, oracy and mathematics, we expect the programme will support all four of the key aims that will enable us to fulfil our vision for the Foundation Fund in relation to children aged 5-12.

Towards the end of 2020, we were also able to scope out a programme to be aimed at pre-school age ('Early Years') children, which will focus on building children's speech and language skills. Both the Early Years and Primary Empowerment Programmes will be launched formally in 2021. Towards the end of 2020, a further programme was conceptualised and was in the early stages of development (in conjunction with a major provider of social housing), which will provide safe places for families and children to use outside school hours.

In addition, during December 2020, we appointed ImpactEd, a national impact evaluation specialist, to evaluate the impact of our work. ImpactEd are working alongside key stakeholders and the St John's team to finalise the design of our Foundation Fund programmes.

✓ Immediate support was provided to our identified seven schools to help pupils access online learning. The funding was used to provide hardware devices, connectivity to the internet and staff support time, to ensure children without technology at home would not miss out on vital learning during lockdown.

Crisis Support Programme

As part of the Foundation Fund St John's continued to provide crisis support during 2020 to individuals and families who were struggling financially. Over 600 applications were awarded, totalling £241,459. This financial assistance directly supported people and families living in low-income households across BaNES purchasing essential items they desperately needed.

✓ As a direct result of the Covid-19 pandemic, a further £117,619 was awarded through the Crisis Support Programme to other charitable organisations who were directly supporting the people and families most impacted by the pandemic within our community.

Organisational Funding Committed in Previous Years

St John's upheld all financial commitments it had made to organisations prior to the launch of our new strategy. We awarded a total of £1,109,686 from our former Organisational Funding Award programme in support of 66 charitable projects and organisations that are continuing to deliver essential work for the community in line with our charitable aims. These organisations were not only supported financially but were also provided with expert support and guidance to equip them with the tools they needed to develop, and become more sustainable and self-sufficient. More detail on the organisations funded can be found on page 58.

Independent Living

We currently have 94 alms-apartments and are committed to increasing the number of dwellings we offer by investing at least a further £1.9m by 2024, in accordance with an obligation to the Charity Commission agreed by St John's. On average in 2020, 95% of our alms-apartments were occupied (2019: 98%). In addition, Personal Care and Domiciliary Support was delivered to 44 of our residents.

The attendance for our activity programme was at an all-time high at the start of 2020, with over 2,300 attendances by March 2020 (up 24% compared to the previous year). Due to Covid-19, the programme transitioned to become an online service, which proved to be successful. Over the course of the year, over **400** people attended classes which totalled over **75** hours of activity. Between lockdowns 1 and 2, the team were able to re-introduce face-to-face activities for a five week period and when the latest lockdown restrictions ease, these face-to-face activities will recommence. The intention is to extend our reach to exceed the pre-pandemic levels and to help more older adults to live independently for longer across Bath and North East Somerset.

Trading

These consolidated financial statements include the results of the trading subsidiary, which is an investment for the charity. It was established with a view to generating profits which could be gifted to the charity and used to fund the charitable objectives. In 2019 and 2020 the main trade undertaken was the operation of 10 high quality, holiday apartments at St Catherine's Hospital (a former almshouse owned by the charity and leased to the subsidiary at a market rent).

National lockdown restrictions imposed by the Government led to the holiday lets being closed for significant parts of 2020 and a resultant loss of income and reduction in profitability for the year.



STRUCTURE, GOVERNANCE AND MANAGEMENT

Legal structure

St John's Hospital Trustee Limited

COMPANY

Board of Directors ('the Trustees')

St John's Foundation Est. 1174 (the Charity) is controlled by a trustee company, St John's Hospital Trustee Limited (registration 08188066). The trustee company has a board of unpaid directors, who are effectively the trustees of the Charity.

St John's Foundation Est. 1174

CHARITY

The Charity is an unincorporated charity registered in England and Wales (reference 201476). It is governed by a Charity Commission Scheme dated 25 September 2012 as amended by a scheme dated 8 February 2017 and a resolution dated 28 September 2017.

St John's Hospital Trading Company Limited

TRADING COMPANY

St John's Hospital Trading Company Ltd (registration 08632453) is the trading arm of the Charity and is a wholly owned subsidiary.

GOVERNANCE

The Charity Governance Code

The Code (published in 2017) sets out seven principles of good governance, including:



The Trustees recognise that effective governance is essential in enabling the Charity to meet its aims and have reviewed the Charity's governance against the Code. The findings of this review were that St John's has an effective, well-governed board and that the new strategy underpins many elements that are fundamental to the spirit of the Code including transparency, collaboration and strategic drive. There were no significant concerns or risks identified as part of the review but in line with continuous improvement a list of recommendations has been adopted for implementation in 2021. All Trustees have signed a Code of Conduct based upon the Charity Governance Code. Our current governance arrangements are set out in the report.







HOW OUR VALUES SUPPORT EFFECTIVE GOVERNANCE

We embrace our organisational values of Courage, Kindness and Trust and apply these values to everything we do and in how we treat one another.

The breadth of St John's work necessitates a diverse workforce and each one of our Trustees and employees helps to make our organisation an uplifting and cohesive place to work.

We actively encourage the sharing of ideas and promote continuing personal development.



GOVERNANCE STRUCTURE

The Board

In line with the Articles of Association of St John's Hospital Trustee Limited ("the Articles"), the Board of Trustees must comprise between 10 and 14 members. Trustees are each appointed for a term of five years and may be re-appointed to serve for up to 15 years.

These appointment terms were reviewed by the Board and a change to lower the lengths of appointment was agreed. It was resolved that all new trustees would be appointed for a term of 3 years and may be re-appointed to serve up to 9 years. The Articles of Association will be amended to reflect this change once transitional arrangements for existing trustees are in place.

Decision-making

The Board met six times during 2020 to determine strategy, approve financial plans and consider key policies. The Board has delegated authority for certain decisions to committees, which are made up of Trustees with relevant experience and/or qualifications. Professional advisors attend these committees when necessary to add their insight.

The Board and the Committees review their performance annually. This is carried out through discussion and has been supported by the use of surveys to gain insight into Trustee opinions on effectiveness. An appraisal of the Chair is conducted every two years by the Senior Independent Trustee. As one of the recommendations arising from the Corporate Governance Code review, the Trustees are considering whether to undertake external evaluations of performance and also how individual trustee performance will be reviewed in the future.

The structure and membership of committees changed early in 2020 and this report sets out the committee structure in place for most of the financial year.



COMMITTEES

Committee	Purpose
Audit and Risk Committee (ARC)	To assure the Board that there is an adequate system of risk management in place for the activities of the Charity and which ensures effective delivery of all its services, including compliance with all relevant regulations that relate to the Charity's activities.
Investment Committee (INV)	To recommend the investment strategy for the Charity and to assure the Board that there is an adequate system of processes and controls in place to ensure all the Charity's investment portfolios, including the property portfolio are appropriately managed to deliver the agreed investment objectives.
Remuneration & Nominations Committee (REM)	To oversee the trustee appointment process and CEO/ exec recruitment, ensuring that St John's has effective remuneration, nomination and Board recruitment policies and procedures in place, which are fair and transparent, adhere to all relevant legislation and support the strategy, objectives and values of the Charity.

Committee membership, along with a list of professional advisors, is available in the “Legal and administrative information” and “Our Advisors” section below.

The Trustees have delegated day-to-day management of the Charity to the Executive team and the employees of St John’s.

Remuneration of the Executive Team

The Remuneration and Nominations committee is responsible for setting remuneration policies for the Executive team, based on individual contributions and the prevailing market. This includes the annual salary, contractual terms of employment and any severance arrangements.

For the Charity to meet its strategic goals, it must recruit and retain highly skilled employees. The salaries offered to the Executive team are competitive both locally and within the charitable sector. The Remuneration and Nominations committee, taking advice from the Chief Executive, determines the salaries of the rest of the Executive team. An over-riding factor in salary setting is always affordability in the context of the whole organisation’s budget.



Trustee recruitment and training

The Remuneration and Nominations committee determines the appointment procedures for new Trustees including how the vacancies will be advertised. This is through social media and sometimes an external recruitment agency may be used, to ensure greater reach to potential trustees. The Remuneration and Nominations Committee agree the terms and conditions of appointment and any interview process, which will involve a minimum of 2 existing trustees. It then nominates candidates for approval by the Board.

Once appointed new Trustees are provided with training through an induction pack. This includes a Trustee handbook which is reviewed and updated regularly and shared with all Trustees. Further training may be offered where needs are identified and throughout the year the Charity aims to update Trustees using seminars and briefings. In 2020, there were no face to face training courses but details of virtual events such as webinars were shared with Trustees.

Fundraising

The Charity does not actively fund raise but sometimes generates funds from the public through events where the primary purpose is not fund-raising but awareness raising. Due to the nature of these events no pressure is put on individuals to donate and there is no perceived risk to vulnerable people or other members of the public in relation to fundraising. We never use an external partner to raise funds. During 2020, the Charity received zero complaints with regards to fundraising practices (2019: zero). The Charity is compliant with The Charities (Protection and Social Investment) Act 2016.





Legal and Administrative Information

Registered office: 4/5 Chapel Court, Bath, BA1 1SQ
Telephone: 01225 486400
Email: info@stjohnsbath.org.uk
Website: www.stjohnsbath.org.uk
Charity reference: 201476
Trustee: St John’s Hospital Trustee Limited (08188066)
Patron: HRH The Duchess of Cornwall

OUR DIRECTORS

Directors of St John's Hospital Trustee Limited ('The Trustees') & Committee Membership

	ARC	INV	REM	
Ben Fletcher (Chair)			●	
Ashley Ayre	○			from: 19 March 2020
Harriet Bosnell	○		○	
Moira Brennan			○	
Richard Brown		●		
Sarah Davies	○		○	to: 17 Dec 2020
Nicholas Hunt		○		from: 19 March 2020
Karen MacGregor	○			from: 18 June 2020
Ian MacKenzie		○		
David Purdon	●			to: 24 June 2021
Ken Scott		○		
Rev Nicholas Williams	○			to: 17 Dec 2020
Rev Roger Driver				from: 16 April 2021
Jeffrey Hayes	○	○		from: 31 March 2021
Carole Stott				from: 26 May 2021
Jamal Benmiloud				from: 27 May 2021
John Lakin				from: 27 May 2021

● Committee Chair ○ Committee Member

Prior to becoming a Trustee, Jeffrey Hayes was a co-opted advisor to the investment committee.



OUR DIRECTORS

Directors of St John's Hospital Trading Company Ltd.

Ashley Ayre	A Trustee of the Charity	from: 18 June 2020
Caroline Bee	A Director of the Charity	from: 18 June 2020
Louise Harvey	A Director of the Charity	from: 18 June 2020
David Hobdey	Chief Executive of the Charity	
Karen MacGregor	A Trustee of the Charity	from: 14 Aug 2020
David Purdon	A Trustee of the Charity	fto: 24 June 2021
Ken Scott	A Trustee of the Charity	

Executive Team

David Hobdey	Chief Executive	
Louise Harvey	Director of Funding and Impact	
James Edmonds	Director of Property	to: 13 March 2020
Caroline Bee	Director of Finance	

To find out more about the skills and experience of our team please visit https://stjohnsbath.org.uk/about/our-team/

OUR PROFESSIONAL ADVISORS

External Auditor:
Crowe U.K. LLP Fourth Floor, St James House, St James Square, Cheltenham, GL50 3PR

Bankers:
Handelsbanken Plc 7 Henry St, Bath, BA1 1JR
Hampdens & Co Plc 9 Charlotte Square, Edinburgh, EH2 4DR

Solicitors:
Thrings LLP 2 Queen Square, Bath, BA1 2HQ
Stone King LLP 13 Queen Square, Bath, BA1 2HJ

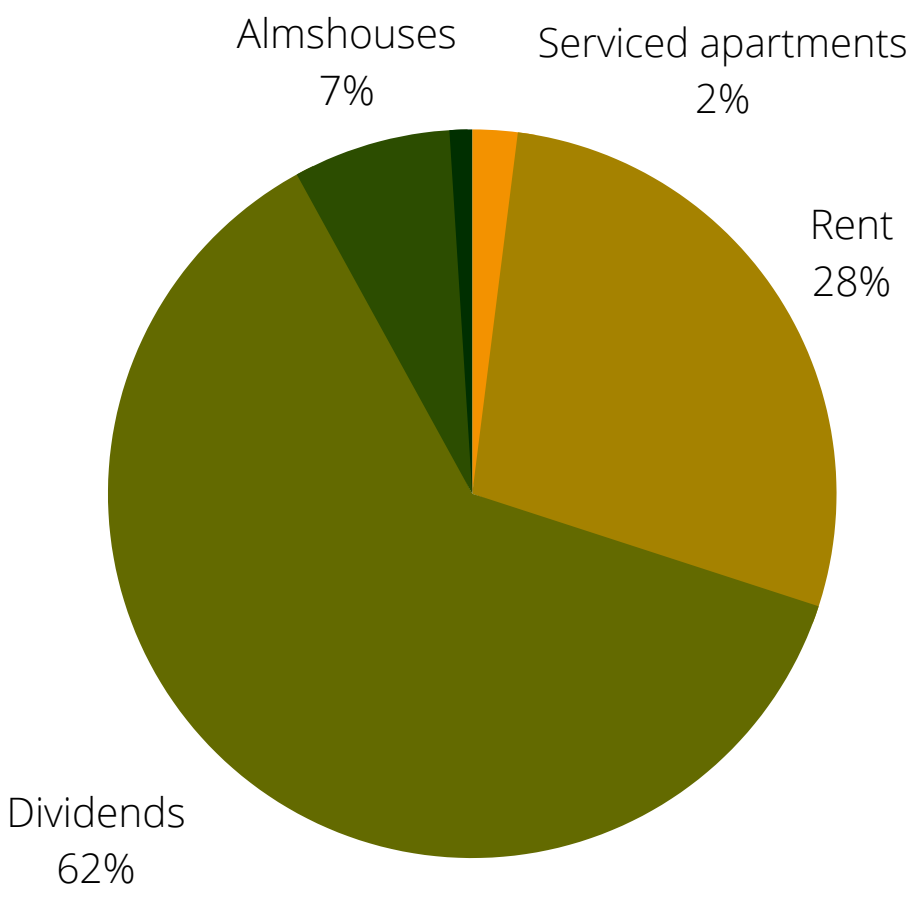
Investment Managers:
Smith & Williamson Investment Management LLP Portwall Place ,
Portwall Lane, Bristol, BS1 6NA
Schroder & Co Ltd trading as Cazenove Capital, 1 London Wall Place, London EC2Y 5AU
Charities Property Fund Savills Investment Management, 33 Margaret Street, London, W1G 0JD

Chartered Surveyors:
Jones Lang LaSalle Ltd 31 Great George St, Bristol, BS1 5QD
Martin Blake Associates Ltd 8a Bartlett St, Bath, BA1 2QZ
Carter Jonas 5-6 Wood St, Bath, BA1 2JQ
Philip Jennings Suite 1, 25 The Tyning, Widcombe, Bath, BA2 6AL
Savills Edgar Buildings, 17 George St, Bath, BA1 2EN



FINANCIAL REVIEW

Our income in 2020 (£'000s)



The consolidated income for 2020 was £5.2m, which is £684k lower than the previous year (£5.9m). This reflected the impact of the pandemic on our investment income.

Donations and legacies
There were no large donations in 2020.

Investment income

Investment income in 2020 was £4.1m, which is £535k lower than in 2019. £301k of this reduction (56%) was in rental income on the commercial estate, reflecting the heavy reliance in the direct property portfolio on retail properties which were severely affected by national lockdowns. A further £224k (42%) of the fall in income relates to dividends from listed investments, following a particularly volatile year in the financial markets.

Trading activities

In addition to this, the Trading Company has generated £208k of income in 2020, a £123k (or 37%) fall from income in 2019 (£331k). The Trading Company is reliant on hospitality business from serviced apartments at St Catherine's Hospital, which closed for long intervals during the year in line with government instructions.

Almshouse Income

Income from charitable activities, which includes income from almshouses and residential care, decreased by £53k (6%) in 2020 from 2019 to £856k. There were slightly higher levels of vacancies than usual because assessing potential residents and moving became more difficult during the pandemic.

Expenditure

Total expenditure in 2020 was £5.7m (2019: £6.5m). The cost of managing our investments rose by £239k to £1.5m (2019: £1.2m). This reflects increased levels of bad debt and higher professional fees that have resulted from greater vacancies, tenants falling into administration and renegotiations on leases.

To offset increasing costs and reducing income, the Charity decreased the level of funding awarded to local organisations and individuals by £735k to £1.5m (2019: £2.2m). The pandemic created delays in the roll out of our Foundation Fund and the funding programme was adapted in response to the changing needs and environment created under the pandemic shaped. This is described in detail earlier in this report.

Volunteers

The Charity is able to support many people in Bath and North East Somerset with the valued help of its volunteers who work with our outreach services and provide administrative support. While national lockdowns prevented much of the usual support in 2020, there were a small number of volunteers supporting residents with their shopping and errands. We are therefore incredibly grateful for the time and effort of our volunteers who make an important impact across the year even though the financial benefit of volunteers is relatively small (so cannot be shown in these statements).

Deficit

Overall, the operating deficit for 2020 was £548k (2019: £577k). This was a smaller deficit than planned for the year as spending was reduced in light of the impact of the pandemic on the Charity's finances. The charity plans to have annual deficits in order to reduce the level of unapplied total returns. The level of unapplied returns was however, impacted significantly in year by the decline in value of the direct property portfolio. More detail on our reserves policy follows.

Valuation losses, particularly on investment property, have created a negative net movement in funds of £10.7m (2019: £5.4m).

TOTAL RETURN

The Charity adopted a Total Return method of accounting from 1 January 2013. On this date the initial value of the unapplied total return was £45.5m and the core capital endowment was valued at £35.0m. In arriving at these values, the Trustees used the indexed values of the permanent endowment at 1 January 1995 to represent the preserved value of the original gift.

From this date the Charity has set a target to achieve a 'total return' from its investments of inflation + 4% on average each year. 'Total return' is the sum of valuation gains and income (e.g. dividends or rent).

Calculating our inflation + 4% target:

- The Board recognises that market volatility could cause the value of its investments to fluctuate each year. However, given the Charity's overall financial strength, the longer-term view is more important. The target is therefore measured as an average over a rolling five-year period.
- Investment management costs, like fees charged by our investment managers, are deducted within the calculation. This means that the whole RPI+4% return is available to support our charitable activities.

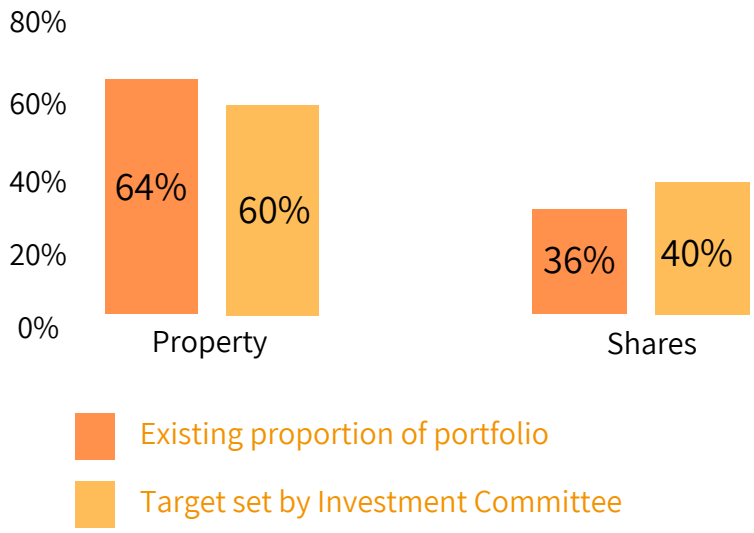
Why inflation + 4%?

The use of an appropriate measure of inflation is important. Historically the Charity has used RPI (Retail Price Index) as a measure of inflation and did so throughout 2020. However, after careful consideration the Trustees have agreed to move to CPI from 1 January 2021. By ensuring the investments grow in line with inflation, we are protecting the value of investments to support the needs of future generations. In 2020 the permanent endowment was increased by £510k for RPI (2019: £895k).

The Charity also relies on income from its investments to fund its charitable activities today. The 4% return in excess of inflation is used to support our existing beneficiaries. In 2020 £4.6m of unapplied total return was allocated to income (2019: £4.8m).

INVESTMENTS

At the year end, the Charity held £105.7m of investments (2019: £119.4m). Of this, £67.7m (64%) was property in Bath (2019: £82.3m / 69%). The Investment Committee has agreed a target strategic allocation of assets (i.e. mix of different types of investments), designed to create the highest return at an acceptable level of risk. Reports were commissioned from two independent investment managers in order to establish an appropriate target. The need to rebalance the investment portfolio (by buying and selling assets) is assessed at least annually.



Current allocation of assets

Other investments (including a social loan, and cash balances) have not been included, as these make up less than 0.5% of the total value.



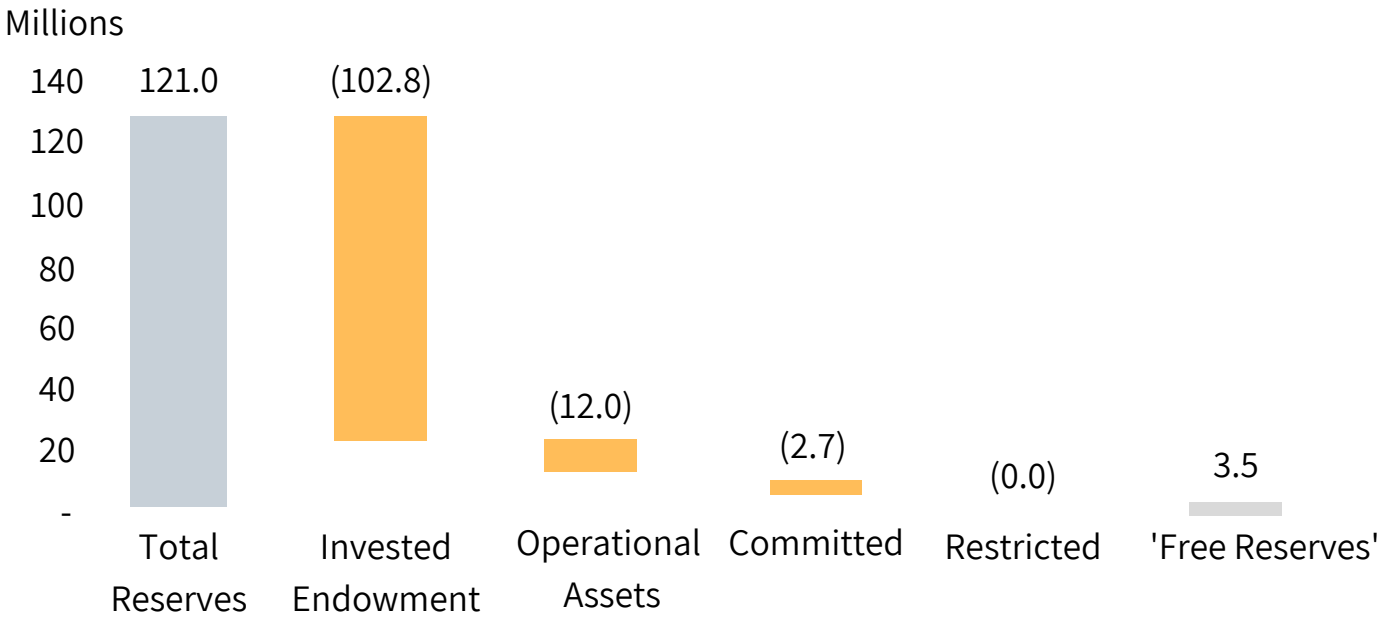
INVESTMENT POLICY

A few notes on our Investment Policy:

- There is no limit on investment in individual assets, but the Investment Committee actively monitors any asset which makes up more than 5% of the value of the portfolio.
- The Investment Policy allows for investment in any type of asset, with the exception of derivatives (unless for the purpose of hedging) and individual investments may be excluded where there is conflict with the Charity's objectives.
- The Charity can invest in mixed motive and social investments where they align with the Charity's objects. It currently holds a small social investment representing two concessionary loans to a carer's centre, the purpose of which aligned to the Charity's object of assisting those in need. These do not form a material part of the Charity's charitable or investment activities.

RESERVES

The majority of the Charity's reserves are held as investments. The income from these investments is needed to support today's beneficiaries, as well as future generations. The Trustees therefore protect a significant proportion of reserves for future use. At the end of 2020, total reserves were £121.0m (2019: £131.7m).



The free reserves of £3.5m are freely available to spend on any of the Charity's purposes. This is only 2.9% of the Charity's net assets. However, St John's has also accumulated gains and surpluses of £59.7m in the unapplied total return element of the endowment as a result of its large investment portfolio. These funds can also be used to further the Charity's objects. However, this is managed carefully, as any fall in these funds reduces income available for future generations.

Calculating reserves

The starting point for calculating the amount of reserves held is therefore the amount of unrestricted funds. Which was £5.6m at 31 December 2020 (2019: £5.4m). However, some or all of the unrestricted funds of a charity may not be readily available for spending.

This is because spending those funds may adversely impact on the Charity's ability to deliver its aims. The items that should be excluded from reserves are:

- any operational fixed assets not already excluded from unrestricted funds through the functional endowment (e.g. head office) of £1.4m (2019: £1.4m)
- designated funds set aside to repair the almshouses of £nil (2019: £0.8m)
- committed awards or building contracts, not included as a liability in the accounts of £0.7m (except those already excluded from unrestricted funds through the functional endowment) (2019: £1.2m)

As at 31 December 2020 the Charity's free reserve was £3.5m, which is £1.5m higher than the £2.0m reserve held to cover six months' future operating expenditure, in line with the Charity's own financial regulations.

However, this does not address the balances held within unapplied returns which are also expendable on delivering the charitable purpose. The Charity therefore uses its long-term financial plan to consider the level of both unrestricted reserves and unapplied total returns that it needs to maintain for future expenditure in the short, medium and long term.

As part of this the Charity sets out to maintain investments at a level which can provide sufficient returns to fund the almshouses, community outreach and individual funding for future generations and protects the spending power of this by inflation. It will use total unapplied returns and unrestricted funds in excess of this to deliver the Foundation Fund and subsequent strategies ('free' reserves).

RISKS

Within the Charity, each team manages its own risk register. This is actively managed to ensure mitigating actions are carried out and scoring is up to date. High-scoring risks (i.e. those with significant likelihood and impact) are included on the Corporate Risk Register. The Audit and Risk Committee reviews the Corporate Risk Register at least four times a year and may suggest further actions to reduce the likelihood or impact of a risk.

Some of the key risks that St John's manages are:

Risk: Failure to achieve the targeted total return of CPI+4% and, as a result, not having enough income and capital to pursue our strategic aims.

Mitigating actions: Long-term financial planning is undertaken to understand the sensitivity of income and capital to different economic scenarios. Regular meetings are held with asset managers. Strategic asset review being undertaken to maximise returns on direct property portfolio.

Risk: Commercial, financial and/or reputational risk from the failure of projects.

Mitigating actions: Detailed business cases are prepared and approved by Board before a project begins. Specialist project teams are set up, and detailed risk analysis is undertaken at every project meeting.

RISKS

Risk: Delayed implementation of strategic projects, or a failure to invest sufficiently in charitable activities and utilise the unapplied total return, results in failure to support stakeholders and damages the Charity's reputation.

Mitigating actions: Committee meetings continue to be held at least quarterly to enable effective decision-making, with additional meetings being held for specific projects when necessary.

Risk: Building costs for the Charity's capital projects exceed budget.

Mitigating actions: Contractors are selected by a thorough tendering process. As part of the tender process, value engineering is carried out, as well as extensive pre-construction surveys. Costs will be monitored carefully whilst the site undergoes construction. An experienced project team is used and is ready to respond swiftly to any change in circumstances.

IMPACT OF COVID-19

As detailed in this report the Covid-19 pandemic has affected the Charity in a number of ways and continues to impact upon the risks and future activities of the Charity. It is therefore addressed as part of this Trustee report.

In response to the initial outbreak, the Charity implemented its business continuity plan to ensure risks and impacts were properly identified and managed.

Community Outreach activities were suspended in line with government guidance and a new online service introduced to continue to engage with vulnerable people in the community. As the government lockdown restrictions change, St John's will respond accordingly with risk assessments in place to ensure safe operations.

The Charity's head office closed and office based staff have been able to work from home using existing equipment and increased use of remote technology such as video conferencing. This technology has also been used to ensure that Board and Committee meetings continue during lockdown.

One of the main risks associated with the pandemic has been in relation to the health and safety of employees and residents. The Charity has taken this very seriously and ensured policies and procedures are updated and implemented in line with latest guidance, including the appropriate use of personal, protective, equipment. All residents and employees have been encouraged to take up the offer of a vaccination and in 2021 regular Covid testing has been introduced for employees working on site.

A further risk is the economic impact of the pandemic reducing and delaying receipt of our investment income. The cashflow risk has been mitigated by revisions to financial forecasts, careful management of the finances and the introduction of new bank facilities.

The longer term impact of the pandemic on our investment income remains uncertain. The Charity is well placed to adapt however given the scale of the unapplied total returns held. The Charity therefore considers that it remains a going concern and will continue to update the long term financial plan and reassess reserve levels and spending plans in line with our reserve policy set out on pages 33-34.

STATEMENT OF TRUSTEE'S RESPONSIBILITIES

The Trustee is responsible for preparing the Trustee's Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom). The law applicable to charities in England and Wales requires the Trustee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and the group and of the incoming resources and application of resources of the charity and the group for that period.

In preparing these financial statements, the Trustee is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

It is also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Trustee is responsible for the maintenance and integrity of the financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Crowe U.K. LLP have been appointed as auditors in the period. A resolution for the reappointment of Crowe U.K. LLP as auditors for the Charity will be proposed at the forthcoming Annual General Meeting.

Approved by the Trustee on 24th June 2021 and signed on its behalf by:

Mr B Fletcher (Chairman)

Ms M E Brennan (Director)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST. JOHN'S FOUNDATION EST. 1174

Opinion

We have audited the financial statements of St. John's Foundation Est. 1174 ('the charity') and its subsidiary ('the group') for the year ended 31 December 2020 which comprise Consolidated statement of financial activities, Consolidated Balance sheet, Charity Balance sheet, Consolidated statement of cash flows and notes to the financial statements, including 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 group's and the parent charity's affairs as at 31 December 2020 and of the group's 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 group 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 trustee's 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 or the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, 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.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient and proper accounting records have not been kept by the parent charity; 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 trustees' responsibilities statement set out on page 39 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 group's and the parent 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 151 of the Charities Act 2011 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue 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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charity and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity and the group for fraud. The laws and regulations we considered in this context were CQC Regulations.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the completeness and accuracy of income, grants payable to third parties and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Audit & Risk Committee about their own identification and assessment of the risks of irregularities, designing audit procedures over income and grant expenditure, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our 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.

Crowe U.K. LLP
Statutory Auditor
Fourth Floor
St James House
St James Square
Cheltenham
GL50 3PR

12 August 2021

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

	Note	Unrestricted fund £'000	Restricted funds £'000	Endowment fund £'000	Total 2020 £'000	Total 2019 £'000
Income and endowments from:						
Charitable activities		856	-	-	856	909
Investment income	2a	119	6	3,955	4,080	4,615
Other trading activities		211	-	-	211	350
Donations and legacies	2b	31	18	-	49	6
Transfer to income	17a/22	4,578	-	(4,578)	-	-
Total income		**5,795**	**24**	**(623)**	**5,196**	**5,880**
Expenditure:						
Expenditure on charitable activities:						
Residential care & support:		1,735	1	114	1,850	1,921
Funding and impact	7	1,929	58	-	1,987	2,715
Community outreach		290	2	-	292	380
Total expenditure on charitable activities	3	3,954	61	114	4,129	5,016
Cost of raising funds	4	1,262	-	212	1,474	1,235
Other expenditure	5	141	-	-	141	206
Total expenditure		**5,357**	**61**	**326**	**5,744**	**6,457**
Net income / (expenditure) before investment (losses) / gains		**438**	**(37)**	**(949)**	**(548)**	**(577)**
Net gains / (losses) on investments	13	(268)	-	(9,895)	(10,163)	(4,873)
Net income and net movement in funds		**170**	**(37)**	**(10,844)**	**(10,711)**	**(5,450)**
Reconciliation of funds:						
Total funds brought forward	23	5,416	47	126,210	131,673	137,123
Total funds carried forward	23	**5,586**	**10**	**115,366**	**120,962**	**131,673**

The notes on pages 48 to 77 form part of these financial statements.

St John's Foundation Est. 1174
As at 31 December 2020

CONSOLIDATED BALANCE SHEET

	Note	2020 £'000	2019 £'000
Fixed Assets			
Intangible assets	10	32	60
Tangible assets – freehold property	11	11,953	12,156
Other tangible fixed assets	12	105	24
Investments:			
Financial and property investments	13	105,551	119,177
Social investments	14	133	163
		117,774	**131,580**
Current Assets			
Social investments	14	30	30
Debtors	15	4,177	884
Cash at bank and in hand		3,168	2,639
		7,375	**3,553**
Creditors: amounts falling due within one year	16a	(2,330)	(1,890)
Net current assets		**5,045**	**1,663**
Total assets less current liabilities		**122,819**	**133,243**
Creditors: amounts falling due after more than one year	16b	(1,857)	(1,570)
Total net assets		**120,962**	**131,673**
Group reserves			
Invested endowment fund	17a	102,723	113,428
Functional endowment fund	17b	12,520	12,633
Roxburgh endowment fund	18	123	149
Designated funds	19	-	826
Unrestricted general fund	20	5,586	4,590
Restricted funds	21	10	47
		120,962	**131,673**

The notes on pages 48 to 77 form part of these financial statements. These financial statements were approved and authorised for issue by the Trustee at the meeting held on 24 June 2021 and were signed on its behalf by:

Mr B Fletcher (Chairman)

Mrs M E Brennan (Director)

St John's Foundation Est. 1174
As at 31 December 2020

CHARITY BALANCE SHEET

	Note	2020 £'000	2019 £'000
Fixed Assets			
Intangible assets	10	32	60
Tangible assets – freehold property	11	11,964	12,167
Other tangible assets	12	105	24
Investments:			
Financial and property investments	13	105,601	119,227
Social investments	14	133	163
		117,835	**131,641**
Current Assets			
Social investments	14	30	30
Debtors	15	4,238	929
Cash at bank and in hand		3,017	2,521
		7,285	**3,480**
Creditors: amounts falling due within one year	16a	(2,288)	(1,882)
Net current Assets		4,997	1,598
Total assets less current liabilities		**122,832**	**133,239**
Creditors: amounts falling due after more than one year	16b	(1,857)	(1,570)
Total net assets		**120,975**	**131,669**
Charity reserves			
Invested endowment fund	17a	102,797	113,403
Functional endowment fund	17b	12,520	12,633
Roxburgh endowment fund	18	123	149
Designated funds	19	-	826
Unrestricted general fund	20	5,525	4,611
Restricted funds	21	10	47
		120,975	**131,669**

The notes on pages 48 to 77 form part of these financial statements. These financial statements were approved and authorised for issue by the Trustee at the meeting held on 24 June 2021 and were signed on its behalf by:

Mr B Fletcher (Chairman)

Mrs M E Brennan (Director)

CONSOLIDATED STATEMENT OF CASH FLOWS

	2020 £'000	2019 £'000
Cash flows used by operating activities (note A)	(7,087)	(4,863)
Cash flows from financing activity		
Cash inflows from new borrowings	648	589
Repayments of borrowings	(291)	(15)
Net cash provided by financing activity	357	574
Cash flows from investing activities:		
Dividends, interest and rents from investments	4,080	4,615
Costs of generating funds paid by endowment capital	(212)	(235)
Improvements to investment properties	(2,134)	(1,025)
Reclassification of cash held by brokers to investments	(111)	-
Purchase of investments	(3,768)	(4,600)
Proceeds from the sale of investments	9,476	4,750
Social investments repaid	30	28
Purchase of property, plant and equipment	(105)	(73)
Adjustment to cost of intangible additions due to VAT recovery	3	-
Purchase of intangible assets	-	(58)
Net cash provided by investing activity	7,259	3,402
Net increase/(decrease) in cash and cash equivalents	529	(887)
Change in cash and cash equivalents in the year	529	(887)
Cash and cash equivalents at the beginning of the year	2,639	3,526
Cash and cash equivalents at the end of the reporting period (note B)	3,168	2,639

NOTE A: Reconciliation of net income to net cash flow from operating activities

	2020 £'000	2019 £'000
Net (expenditure) for the year (per Statement of Financial Activities)	(10,711)	(5,450)
Depreciation and amortisation charges	176	179
Disposal of operational assets	76	-
Losses on investments	10,163	4,873
Dividends, interest and rents from investments	(4,080)	(4,615)
(Increase)/Decrease in debtors	(3,293)	110
Increase/(Decrease) in creditors	370	(195)
Cost of generating funds from endowed capital	212	235
Cash outflow from operating activities	(7,087)	(4,863)

NOTE B: Analysis of cash and cash equivalents

	At start of year £'000	Cash-flows £'000	At end of year £'000
Cash	2,639	529	3,168
Overdraft	-	(1,015)	(1,015)
Total	2,639	(486)	2,153

Notes to the Financial Statements

Principal Accounting Policies

Consolidation

The group financial statements consolidate the financial statements of the charity and its wholly owned subsidiary, St John's Trading Company Ltd ('the subsidiary') for the year ended 31 December 2020. The results of the subsidiary for the year are set out in note 13. The group will be referred to as 'St John's' or 'the charity' throughout these financial statements. All intergroup sales and profits have been eliminated upon consolidation. The Mayor of Bath's Relief Fund (Charity ref. 204649) has not been consolidated as, in line with the exemption granted by the Companies Act 2006, its inclusion is not material for the purpose of giving a true and fair view. The appropriateness of this treatment is reviewed annually.

Basis of preparation

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland ('FRS102 SORP') and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ('FRS102')(effective 1st January 2019) and the Charities Act 2011 and UK Generally Accepted Accounting Practice.

St. John's Foundation Est. 1174 constitutes a public benefit entity as defined by FRS102 and is an unincorporated Charity; its subsidiary is a limited company. The functional currency of the Group is sterling. The registered address of both the Charity and its subsidiary is 4/5 Chapel Court, Bath, BA1 1SQ. The country of incorporation for the subsidiary is the United Kingdom.

Except as set out below, the financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value. Freehold housing properties (operational properties) are shown at deemed cost. Investment properties are shown at their revalued amounts and the investment portfolios are valued at closing market values. These policies have been applied consistently throughout the current and prior year.

The results for the charity and reconciliation of funds are shown in notes 17 to 25. The Charity has also taken qualifying exemptions available to a qualifying entity in FRS 102 from the requirement to present a Charity only cash flow statement.

Notes to the Financial Statements

Principal Accounting Policies (continued)

Assessment of going concern

The Trustees have considered the impact of the Covid-19 pandemic on the Charity's going concern status. The Charity is heavily reliant on its investment portfolio and has seen the capital values and income of both the direct property portfolio and managed investment portfolio reduced as a result of the Covid-19 pandemic. However, due to the level of the unapplied total returns held by the Charity and the discretion that it has over its expenditure, they do not consider that the pandemic will impact the Charity's ability to remain a going concern. To provide ample headroom, overdraft facilities are in place which cover a reasonable worst-case scenario for cash flow.

The charity considers that it has adequate resources to continue in operational existence for the foreseeable future and has adopted the going concern assumption in preparing these financial statements.

Income recognition

Income is recognised when the charity has entitlement to the income, it is probable that the income will be received, and the amount of income receivable can be measured reliably. Dividend income is recognised when the dividend has been declared. Interest on capital is recognised when receivable and the amount can be measured reliably. This is upon notification by our investment advisors or the bank of the dividend or interest yield.

Rental income, from investment properties, is recognised over the term of the lease with any lease incentives spread evenly over the lease term. Particular attention has been given this year to assessing the probability of receiving rental income before it is recognised (see accounting policy "key sources of estimation uncertainty"). Almshouse income represents fees from residents and other service user income and is credited to the unrestricted fund.

Donations and grants

Donations are accounted for when received. Donations subject to specific wishes of the donors are carried to the relevant restricted fund.

Income from government grants is recognised when the conditions of the grant have been met. Where there are no conditions, income is recognised upon receipt.

Notes to the Financial Statements

Principal Accounting Policies (continued)

Expenditure

All expenditure is accounted for on an accruals basis and is recognised when there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All costs have been directly attributed to one of the functional categories of expenditure in the SOFA. The cost of raising funds includes investment management costs, for both our listed and property investments. Expenditure on charitable activities includes the cost of running our almshouses, outreach services and our awards programme. Please also refer to the paragraph below regarding the allocation of support costs to activities.

Funding awards payable

Funding awards payable are payments made to third parties in the furtherance of the charity's objects. In the case of an unconditional award offer this is accrued once the recipient has been notified of the award. Where performance-related conditions are attached the cost of the award is not recognised until there is sufficient evidence that the conditions will be met.

Individual awards are recognised on approval of the award. Multi-year awards for core funding are recognised in full on approval of the award where there are no performance conditions attached.

Irrecoverable VAT

Irrecoverable VAT is charged to the SOFA or capitalised as part of the cost of the related asset, where appropriate. The charity has opted to charge tax on certain commercial properties and recovers the associated input VAT. All other expenses are shown inclusive of non-recoverable VAT.

Allocation of support costs

General management expenses (including depreciation, property costs and the cost of supporting teams) and governance costs are apportioned between charitable activities and raising funds based on the proportion of direct costs associated with each activity. Direct costs exclude direct fees from investment managers and awards granted. In this way, the split of overheads is a closer reflection of the time spent on each activity. Governance costs include audit and accounting fees, and Trustee expenses.

Notes to the Financial Statements

Principal Accounting Policies (continued)

Gifts in kind, donated services or facilities and volunteers

These are estimated and included in the period in which they are received. In accordance with the Charities SORP (FRS102), volunteer time is not recognised in the SOFA. More information about their contribution is explained in the Trustee's annual report.

Intangible fixed assets

Intangible fixed assets are those which lack physical substance but provide an on-going economic benefit for the charity. They are recognised at historic cost and subsequently amortised so as to write off the cost over their expected useful lives, as follows:

Website 3 years / 33% per annum
Software 4 years / 25% per annum

Tangible fixed assets

During the year, the limit above which assets are capitalised reduced from £5,000 to £500 (for individual purchases) and £1,000 (aggregated). The opening value of assets has not been adjusted for this change in accounting policy as the impact is believed to be immaterial due to the low spend, the age of existing assets and the depreciation applied. Office and computer equipment, fixtures and fittings and motor vehicles are stated at cost less depreciation and provision for impairment. Depreciation is calculated to write off the cost of such fixed assets over their expected useful lives; the rate used for this purpose is 25% per annum on a straight line basis.

Housing and administrative properties

Housing and administrative properties are included in the financial statement as freehold fixed assets. The cost of freehold housing properties represents deemed cost at 1st January 2014 under transition to FRS102, plus subsequent additions at cost. Assets are stated at deemed cost less accumulated depreciation and any accumulated impairment losses. Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets, other than freehold land, over their expected useful lives, using the straight-line method. The applicable rate is:

Freehold buildings 50 years / 2% per annum

Freehold land is not depreciated. A depreciation rate of 2% is applied to the buildings' cost, which is assessed to be two thirds of the total property value less its residual value.

Notes to the Financial Statements

Principal Accounting Policies (continued)

Fixed asset investments

Investment properties

The charity owns freehold properties and ground rents for long term investment. In accordance with FRS102 these are included in the balance sheet at valuation at 31 December 2020, and the surplus or loss arising on revaluation has been transferred to the relevant reserve.

Quoted investments

Investments are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing market bid price. The SOFA includes the net gains and losses arising on revaluation and disposals throughout the year. The surplus or deficit arising on revaluation has been credited or charged to the Permanent Endowment Fund, Designated Fund or Unrestricted Reserves, as appropriate.

The charity does not have any derivatives or other complex financial instruments.

Social investments

Social investments are in the form of concessionary loans to third parties, which aim to generate a financial return whilst furthering the charitable aims of the charity. As such, they have been classified as mixed-motive investments. These loans are initially recognised at the amount drawn down and the carrying amount then adjusted to reflect capital repayments and any accrued interest and impairment in line with paragraph 21.26 of the FRS 102 SORP.

Investment in subsidiary

The investment in the subsidiary is held at cost.

Taxation

The Charity does not pay tax, provided any surplus or gains are used for charitable purposes. For the subsidiary, current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted at the balance sheet date.

Notes to the Financial Statements

Principal Accounting Policies (continued)

Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity, which the Trustee has decided at its discretion to set aside for a specific purpose. Restricted and endowment funds are subject to specific restrictions imposed by the donor of the income or the Charity Commission. Further explanation of each fund held by the charity is contained in notes 17-23 of these financial statements.

Total return accounting

The Charity Commission permitted the charity to adopt the use of total return in relation to its permanent endowment on 25th September 2012. The power permits the Trustee to invest permanent endowments to maximise total return and to make available an appropriate portion to the total return for expenditure each year. Until this power is exercised the total return shall be an 'unapplied total return' and remain as part of the permanent endowment. The Trustee has used the indexed values of the permanent endowment at 1st January 1995 to present the 'preserved value' of the original gift.

Financial instruments

The charity only has financial assets and financial liabilities that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost. Financial assets include the charity's trade and other receivables. Financial liabilities include the charity's trade creditors, accruals and other creditors.

Debtors

Trade, other debtors and accrued income are recognised at the settlement amount due after any discounts offered. Prepayments are valued at the amount prepaid net of any discounts due.

Cash and cash equivalents

Cash and cash at bank comprise short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Notes to the Financial Statements

Principal Accounting Policies (continued)

Creditors

Creditors are recognised at their settlement amount after allowing for any trade discounts due.

Pension costs

Employees of the charity are entitled to join a defined contribution scheme. The pension costs charged in the year represent the amount of the contributions payable to the defined contribution scheme in respect of the accounting period. The charity's pension contributions for current employees are charged to the SOFA in the year in which the contribution arises. The charity has no liability beyond making its contributions and paying across the deductions for the employees' contributions.

Related party transactions

Transactions with related parties are disclosed in the notes to these financial statements. St John's policy is for the Trustee's Directors, Executive Team members and advisers to declare their interests and exempt themselves from all relevant decisions and discussions which may give rise to a conflict of interest or involve a transaction with a related party.

Key sources of estimation uncertainty

Commercial rents
As a result of the national lockdowns in 2020, many of the Charity's commercial tenants have struggled to raise the income needed to meet their rental obligations in full and on time. Whilst the Charity's staff and agents have been in constant communication with our tenants, uncertainty remains over whether the debts due at the year end will be paid, and the reliability of future income. The assumptions made regarding our commercial tenants impact a number of areas in these financial statements, including income recognised, the impairment of debtors, and accrued and deferred income balances. The uncertainty over future rents has also impacted the work of valuation specialists when determining the value of the Charity's properties at the year end.

Notes to the Financial Statement

Principal Accounting Policies (continued)

Key sources of estimation uncertainty (continued)

Revaluation of properties
The charity carries its investment property at fair value, with changes in the fair value being recognised in the SOFA. Fair value is determined by independent valuation specialists using discounted cash flow models over an appropriate period, with the net income in the final year capitalised into perpetuity. Allowances are made for voids and the cost of management, repairs and maintenance. The discount rate used reflects the overall level of risk associated with the income.

Useful economic lives of tangible assets
The annual depreciation charge for tangible assets (and amortisation for intangible assets) is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See notes 10-12 for the carrying amount of the property, land, plant and equipment.

Residual value of tangible assets
The residual value of operational properties has been estimated at 25% (the land on which the buildings are situated is not depreciated). This estimate has been reached on the basis that, as sites are actively used by the Charity, and the majority are grade I and II listed, they are kept to a high standard of repair. It would therefore not be representative of the assets' ongoing worth to depreciate them fully.

Notes to the Financial Statements

1. Comparative Consolidated Statement of Financial Activities

	Unrestricted fund £'000	Restricted funds £'000	Endowment fund £'000	Total 2019 £'000
Income and endowments from:				
Charitable activities	909	-	-	909
Investment income	150	10	4,455	4,615
Other trading activities	350	-	-	350
Donations and legacies	3	3	-	6
Transfer to income	4,781	-	(4,781)	-
Total income	**6,193**	**13**	**(326)**	**5,880**
Expenditure:				
Expenditure on charitable activities:				
Residential care & support:	1,809	-	112	1,921
Funding and impact	2,631	84	-	2,715
Community outreach	373	7	-	380
Total expenditure on charitable activities	4,813	91	112	5,016
Cost of raising funds	1,000	-	235	1,235
Other expenditure	206	-	-	206
Total expenditure	**6,019**	**91**	**347**	**6,457**
Net income / (expenditure) before investment (losses) / gains	**174**	**(78)**	**(673)**	**(577)**
Net gains / (losses) on investments	733	-	(5,606)	(4,873)
Net income / (expenditure)	907	(78)	(6,279)	(5,450)
Transfers between funds	-	-	-	-
Net income and net movement in funds	**907**	**(78)**	**(6,279)**	**(5,450)**
Reconciliation of funds:				
Total funds brought forward	4,509	125	132,489	137,123
Total funds carried forward	**5,416**	**47**	**126,210**	**131,673**

Notes to the Financial Statements

2. Income

2a. Investment income

Consolidated	Unrestricted fund	Restricted fund	Permanent endowment fund	2020	2019
	£'000	£'000	£'000	£'000	£'000
Commercial investment properties	-	-	2,458	2,458	2,770
Residential investment properties	-	-	737	737	726
Property investment income	**-**	**-**	**3,195**	**3,195**	**3,496**
Interest received on social investment	-	-	7	7	8
Listed investments	116	6	753	875	1,099
Interest on cash deposits	3	-	-	3	12
Non-property investment income	**119**	**6**	**760**	**885**	**1,119**
Total	**119**	**6**	**3,955**	**4,080**	**4,615**

2b. Government grants

Included within donations and legacies is £26,000 (2019: £nil) in respect of government grants. This includes a £25,000 retail, leisure and hospitality grant which assisted the trading subsidiary in covering losses from running serviced apartments during national lockdowns. The group also benefited from business rates relief in 2020.

3. Total expenditure on charitable activities

	Staff costs	Depreciation	Other costs	2020	2019
	£'000	£'000	£'000	£'000	£'000
Residential care and support	941	138	771	1,850	1,921
Funding and impact	405	15	1,568	1,988	2,715
Community outreach	222	5	64	291	380
Total	**1,568**	**158**	**2,403**	**4,129**	**5,016**

4. Total cost of raising funds

	Staff costs	Depreciation	Other costs	2020	2019
	£'000	£'000	£'000	£'000	£'000
Property investment management costs	538	20	833	1,391	1,148
Other investment management costs	-	-	83	83	87
Total	**538**	**20**	**916**	**1,474**	**1,235**

Notes to the Financial Statements

5. Other expenditure

Other expenditure relates wholly to the operation of serviced apartments at St Catherine's Hospital by the Trading Subsidiary.

6. Governance costs

The charity identifies the costs which relate to the charity's governance function and these are recorded as part of the total costs of raising funds (see note 4) and expenditure on charitable activities (see note 3). Governance costs are detailed as follows:

	2020 £'000	2019 £'000
Auditor fees (including irrecoverable VAT):		
- for audit services	19	18
- VAT advice	-	1
Accountancy and other professional services	6	2
Trustee expenses	5	11
Corporation tax payable by trading company	-	3
	30	35
These have been split across activities:		
Residential care and support	10	13
Funding and impact	5	7
Property operational costs	12	11
Community outreach	3	4
	30	35

Auditor fees for audit services as stated above include irrecoverable VAT and are dependent upon best estimates of accrued costs. In 2020, actual fees (net of VAT) were £15,000 (2019: £19,000).

7. Funding and impact

	2020 £'000	2019 £'000
Individual funding	359	356
Organisational funding	1,110	1,848
Funding and impact departmental costs	518	511
	1,987	2,715

St John's awarded grants to a number of individuals and organisations in furtherance of its charitable activities. During 2020, a total of 76 (2019: 128) new awards were made to organisations. For awards payable to individuals, the maximum amount payable is usually £1,500 (2019: £1,500) over three years. This rule was relaxed temporarily from the beginning of the coronavirus crisis until 7 August 2020 for those experiencing hardship as a direct result of the pandemic and national lockdown.

Notes to the Financial Statements

7. Funding and impact (continued)

Recipients of organisational funding awards:
All awards of £15,000 or over paid in the year to charitable groups as part of the £1,110,000 above are shown below.

Organisation	Project	Amount (£)
B&NES Council	Local Authority Commissioned Children's Services	53,750
Bath Mind	Welfare Benefits Advice and Support	40,000
Off the Record	Listening Services	40,000
Somer Valley Education Trust CIO	METS (Media Education Training and Skills) 2018-2021	39,420
Developing Health & Independence	Resolve to Stop the Violence (2019-2021)	38,762
Curo	Hubs for Over 70's	36,278
Soundwell Music Therapy Trust	Music Therapy Services	32,000
VOICES	Domestic Abuse Recovery Group Programmes	30,630
SARSAS	Support for Survivors of Rape and Sexual Abuse	30,000
Citizens Advice	Debt Caseworkers	30,000
We Hear You	Talking Bollocks!	30,000
Julian House	Specialist Female Support Worker	29,848
Bath Recreation Limited	Glasshouse Activity Club	29,750
3SG	3SG Core Funding	29,305
Reason	Time to Talk	25,700
HorseWorld Trust	Discovery	25,000
Make a Move	Moving on Up! (2018-2020)	25,000
Bath Youth for Christ	Southdown Youth Worker	25,000
The Life Project	Parent Carer Drop-In Group	22,335
Bath Rugby Foundation	Raising the Game Secondary	21,733
Bath Area Play Project	Quality Improvement	20,000
Jamie's Farm	Core Funding Support	20,000
Designability	Designability Workshop Relocation and Expansion	20,000
Southside Family Project	Strengthening Southside?s Impact	20,000
Citizens Advice	BD, Fundraising and Marketing Support Role	20,000
Southside Family Project	Domestic Abuse Programme (Coronavirus Extension)	19,987
Somer Valley Education Trust CIO	Sustain & Grow	19,971
Bath City FC Community Sports Foundation	Bath City FC Foundation Project Manager	19,934
The Nest Project	The Nest Project	19,600
Swallow	Investment in Efficiency	19,519
Charlie Waller Memorial Trust	Boys in Mind/Girls Mind Too 2019 - 2021	18,040
Read Around Bath	Read! Talk! Together!	15,600

Notes to the Financial Statements

8. Staff costs and remuneration of key management personnel

	2020 £'000	2019 £'000
Wages and salaries	1,724	1,663
Social security costs	161	152
Pension costs	172	157
Other employee benefits	17	20
Redundancy costs	61	-
Agency staff costs	7	63
	2,142	2,055

Redundancy costs were payable to staff whose jobs were made redundant as part of their final salary received from the charity. All amounts had been fully paid by the balance sheet date. Costs are recognised when there is an obligation to make the redundancy payment.

The average number of persons employed by the Group during the year and the prior year was:

	2020 number	2019 number
Property maintenance	7	9
Residential care and support	18	18
Management of the charity	30	32
	55	59

The number of employees whose emoluments were in excess of £60,000 per annum, excluding pension costs and employer's NIC, fell within the following bands:

	2020 number	2019 number
£70,001 - £80,000	1	-
£80,001 - £90,000	1	2
£90,001 - £100,000	1	-
£100,001 - £110,000	1	1
	4	3

St John's considers its key management personnel to comprise the directors of the Trustee and the executive team. The employer pension contributions made in respect of key management personnel to the defined contribution scheme amounted to £32,000 (2019: £31,000).

No enhanced or special terms apply and there are no additional pension arrangements for these employees. The total employment benefits, including employer pension and national insurance contributions of the key management personnel were £430,000 (2019: £403,000).

Notes to the Financial Statements

9. Related party transactions and trustees' expenses and remuneration

Transactions between the Charity and the Trading Subsidiary
Rent of £97,778 was charged by the Charity in 2020 for St Catherine's Hospital, the Trading Company's site of operations (2019: £97,491). Also, costs relating to St Catherine's Hospital (such as insurance, utilities and repairs) were recharged to the Trading Company at cost. This amounted to £22,229 in 2020 (2019: £12,001). At the year end, £55,498 was owed by the Trading Company to the Charity (2019: £64,887), and a further £51,944 is included in accruals in the Trading Company (accrued income in the Charity) in respect of rent uninvoiced but due under the terms of the lease.

In 2020, £nil was invoiced by the Trading Subsidiary to the Charity for construction services (2019: £18,869).

Finally, the Charity invoiced the Trading Company for management fees of £4,050 (2019: £4,432) in the year, of which £4,050 (2019: £986) was due at the balance sheet date.

Trustee expenses
During 2020, all the directors of the Trustee continued to give their time and expertise without any form of remuneration or other benefit in cash or kind (2019: £nil).

Expenses paid to the directors of the Trustee in 2020 totalled £130 (2019: £935). These expenses were paid to two directors (2019: seven directors) for travel and subsistence. Finally, the Charity incurred catering costs for farewell dinners, lunches prior to Board meetings, and selection panels of £836 (2019: £6,261).

Trustee indemnity insurance was purchased by the charity on behalf of the Trustee. The sum insured was £5m in both 2019 and 2020. The cost of the policy was £3,696 (2019: £3,360).

Other transactions with related parties are summarised as follows:

		Payments made	
Related party	**Nature of relationship**	**2020**	**2019**
		£	**£**
Developing Health and Independence	Mrs S Davies is a Trustee	39,837	94,898
Bath Business Improvement District	Mr D Hobdey is a Director and Chair	6,181	6,181
The Bath Rugby Community Foundation	Mrs L Harvey is a Trustee	35,845	33,713
Holy Trinity Church (Combe Down)	Mr D Purdon is a Trustee	160	47,536
Holy Trinity Trust	Mr D Purdon is a Trustee	-	1,300
Curo	Mrs H F Bosnell is a Director	80,682	125,084
Twerton Infant School	Mr D Hobdey is a Governor	7,000	-

In addition to the transactions presented above, £675 was received from the Mayor of Bath's Relief Fund in the year (2019: £185) in respect of repayments for awards which were initially paid from the Charity in error. All the Charity's Trustees are also Trustees of the Mayor of Bath's Relief Fund. All transactions were executed in the normal course of business.

During the year, Flat 7 of Chandos House became occupied by Mr I Ruddlesdin, the brother-in-law of Mr D Hobdey (CEO of the Charity). The exchange value of the flat was in line with an independent qualified surveyor's market valuation, and the sale was in the normal course of business for the Charity.

There were no transactions with the Trustee or other related parties during the year, other than those disclosed above (2019: none). No balances were outstanding to or from related parties at the year-end (2019: none).

Notes to the Financial Statements

10. Intangible assets

Consolidated and charity	2020 £'000
Cost	
At 1 January 2020	83
Adjustment to cost of additions due to VAT recovery	(3)
Disposals	-
At 31 December 2020	80
Accumulated amortisation	
At 1 January 2020	23
Charge	25
Eliminated on disposal	-
At 31 December 2020	48
Net book value	
At 31 December 2020	32
At 31 December 2019	60

Notes to the Financial Statements

11. Tangible assets - freehold property

Consolidated	City centre almshouses £'000	Combe Park almshouse £'000	Operational properties £'000	Magdalen chapel £'000	Total £'000
Cost/valuation					
At 1 January 2020	11,262	3,825	547	740	16,374
Additions	-	-	-	-	-
Disposals	-	(76)	-	-	(76)
At 31 December 2020	11,262	3,749	547	740	16,298
Accumulated depreciation					
At 1 January 2020	3,921	222	31	44	4,218
Charge for the year	78	37	5	7	127
At 31 December 2020	3,999	259	36	51	4,345
Net book value					
At 31 December 2020	7,263	3,490	511	689	11,953
At 31 December 2019	7,341	3,603	516	696	12,156

Charity	City centre almshouses £'000	Combe Park almshouse £'000	Operational properties £'000	Magdalen chapel £'000	Total £'000
Cost/valuation					
At 1 January 2020	11,273	3,825	547	740	16,385
Additions	-	-	-	-	-
Disposals	-	(76)	-	-	(76)
At 31 December 2020	11,273	3,749	547	740	16,309
Accumulated depreciation					
At 1 January 2020	3,921	222	31	44	4,218
Charge for the year	78	37	5	7	127
At 31 December 2020	3,999	259	36	51	4,345
Net book value					
At 31 December 2020	7,274	3,490	511	689	11,964
At 31 December 2019	7,352	3,603	516	696	12,167

Notes to the Financial Statements

12. Other tangible fixed assets

Consolidated and charity	Office equipment £'000	Fixtures and fittings £'000	Computer systems £'000	Motor vehicles £'000	Total £'000
Cost					
At 1 January 2020	28	356	12	12	408
Additions	-	100	5	-	105
Disposals	-	-	-	-	-
At 31 December 2020	28	456	17	12	513
Accumulated depreciation					
At 1 January 2020	15	345	12	12	384
Charge for the year	7	17	-	-	24
Eliminated on disposal	-	-	-	-	-
At 31 December 2020	22	362	12	12	408
Net book value					
At 31 December 2020	6	94	5	-	105
At 31 December 2019	13	11	-	-	24

Notes to the Financial Statements

13. Financial and property investments

Consolidated	Investment property £'000	Listed investments £'000	Total £'000
Market value at 1 January 2020	82,345	36,832	119,177
Additions to investments at cost	2,134	3,768	5,902
Disposal proceeds	(6,396)	(3,080)	(9,476)
(Losses) / gains	(10,408)	245	(10,163)
Cash held by brokers for reinvestment	-	111	111
Market value at 31 December 2020	67,675	37,876	105,551

All investments are carried at their fair value. Investments in equities and fixed interest securities are all traded on public markets. The fair value for quoted investments is the market value, using the bid price. The charity's commercial investment properties were re-valued by Jones Lang LaSalle Limited, Chartered Surveyors, and its residential investment properties by Philip Jennings, Chartered Surveyors, on the basis of discounted cash flow at 31 December 2020.

Social investments also form part of the charity's investments (note 14).

Charity	Trading subsidiary £'000	Investment property £'000	Listed investments £'000	Total £'000
Market value at 1 January 2020	50	82,345	36,832	119,227
Additions to investments at cost	-	2,134	3,768	5,902
Disposal proceeds	-	(6,396)	(3,080)	(9,476)
(Losses) / gains	-	(10,408)	245	(10,163)
Cash held by brokers for reinvestment	-	-	111	111
Market value at 31 December 2020	50	67,675	37,876	105,601

Notes to the Financial Statements

13. Financial and property investments (continued)

The charity owns the entire share capital of St John's Hospital Trading Company Ltd, a company incorporated in England and Wales - company registration number 08632453. The share capital of St John's Hospital Trading Company Ltd comprises 50,000 ordinary shares of £1, which are all wholly owned by the charity. The principal activity of St John's Hospital Trading Company Ltd is to manage serviced apartments and procure services on behalf of St. John's Foundation Est. 1174.

The trading results of the subsidiary were as follows:	**2020 £'000**	**2019 £'000**
Turnover	208	350
Cost of sales	-	(18)
Gross profit	208	332
Administrative epenses	(14)	(8)
Operational expenses	(235)	(303)
Other income	25	-
Operating (loss)/profit	(16)	21
Interest payable	-	-
(Loss)/profit before tax	(16)	21
Taxation	3	(4)
(Loss)/profit after tax	(13)	17

The aggregate of the assets, liabilities and funds as at 31 December was:	**2020 £'000**	**2019 £'000**
Total assets	219	183
Total liabilities	(168)	(119)
Shareholders' funds	51	64

14. Social investments

Consolidated and charity	**2020 £'000**	**2019 £'000**
Mixed motive investments:		
Receivable in more than one year	133	163
Receivable in less than one year	30	30
	163	193

The mixed motive investment above represents two concessionary loans to a single party drawn down together on 28th October 2015, secured by a legal charge over freehold property and charged interest at a rate of 4%.

At the year end there were no amounts committed but undrawn (2019: nil), and no amounts that had been approved subject to the agreement of terms (2019: nil).

Notes to the Financial Statements

15. Debtors

	2020 £'000	2019 £'000
Consolidated		
Trade debtors	203	289
Prepayments and accrued income	3,955	592
Taxation and social security	17	-
Other debtors	2	3
	4,177	884
Charity		
Trade debtors	142	254
Prepayments and accrued income	4,025	607
Taxation and social security	14	-
Other debtors	2	3
Amounts owed by subsidiary	55	65
	4,238	929

Included within consolidated prepayments and accrued income are lease incentive adjustments of £274,000 (2019: £319,000), of which £243,000 are due in more than one year (2019: £297,000). Also included within the Charity's prepayments and accrued income is a balance of £70,000 (2019: £20,000) which relates to the subsidiary. Offsetting trade debtors is a bad debt provision of £161,000 (2019: £2,000).

Notes to the Financial Statements

16a. Creditors: amounts falling due within one year

Consolidated	2020 £'000	2019 £'000
Bank overdrafts	1,015	-
Loans repayable upon demand	518	448
Trade creditors	198	320
Accruals and deferred income	488	830
Taxation and social security	46	245
Corporation tax	-	3
Other creditors	65	44
	2,330	1,890

Charity	£'000	£'000
Bank overdrafts	1,015	-
Loans repayable upon demand	518	448
Trade creditors	161	296
Accruals and deferred income	483	848
Taxation and social security	46	246
Other creditors	65	44
	2,288	1,882

The bank overdrafts are secured against assets of the Charity. The loans repayable on demand are amounts due to lifetime leasehold tenants for their leases which is repayable when the properties are vacated.

Included within other creditors is £11,000 (2019: £9,000) representing the amount held as agent for a small unincorporated voluntary organisation called Bath Woman's Fund for which St John's Foundation has agreed to administer funds and act as an agent. No other amounts were received or paid out in the year in relation to this fund.

Notes to the Financial Statements

16a. Creditors: amounts falling due within one year (continued)

Deferred income movement:

	Charity	Group
	£'000	£'000
Balance at 1 January 2020	665	642
Amount released in the year	(2,667)	(2,594)
Amount deferred in the year	2,147	2,097
Balance at 31 December 2020	145	145

16b. Creditors: amounts falling due after more than one year

	2020	2019
Consolidated and charity	£'000	£'000
Loans repayable upon demand	1,857	1,570

Notes to the Financial Statements

17a. Invested endowment fund

The permanent invested endowment fund represents the funds of the charity derived from gifts and legacies received since its foundation. It is to be held and maintained in perpetuity. Investment income and surpluses or deficits arising on the sale or revaluation of investment properties and investments are transferred to the permanent endowment fund. Expenses incurred in the administration or protection of the endowment investments are charged to the fund. From 1st January 2013, the Trustee has adopted the use of total return accounting in relation to its investment.

Total return investment

The investment power of total return was granted by the Charity Commission on 25th September 2012. The power permits the Trustee to invest permanent endowments to maximise total return and to make available an appropriate portion of the total return for expenditure each year. Until this power is exercised in full, that portion of the total return which is in excess of the amount required to preserve the value of the permanent endowment, shall be an 'unapplied total return' and remain as part of the permanent endowment. The Trustee has used the indexed values of the permanent endowment at 1st January 1995 to represent the 'preserved value' of the original gift.

Under specific powers in the governing Scheme, the Trustee monitors the investment performance in terms of maintaining the purchasing power of the core endowment against inflation, while enabling the charity to commit to a long-term spending rate of 4% of the three-year average value of the permanent endowment.

The amounts set as opening unapplied return, together with the amount allocated to income in the year from the unapplied total return, and the amount of unapplied total return allocated to capital in the reporting period (in order to maintain the real value of the original gift) are disclosed below.

Notes to the Financial Statements

17a. Invested endowment fund (continued)

Consolidated	Permanent endowment fund £'000	Unapplied total return £'000	Total £'000
At 1 January 2019	41,650	77,966	119,616
Movements in the reporting period:			
Investment income	-	4,455	4,455
Realised and unrealised gains	-	(5,627)	(5,627)
Less: property operational and investment management costs	-	(235)	(235)
Total return for the year	-	(1,407)	(1,407)
Unapplied total return allocated to income	-	(4,781)	(4,781)
Transfer to unrestricted funds to reflect 2017 gains	-	-	-
RPI uplift	895	(895)	-
	895	(7,083)	(6,188)
At 1 January 2020	42,545	70,883	113,428
Movements in the reporting period:			
Investment income	-	3,955	3,955
Realised and unrealised losses	-	(9,869)	(9,869)
Less: property operational and investment management costs	-	(212)	(212)
Total return for the year	-	(6,126)	(6,126)
Unapplied total return allocated to income	-	(4,578)	(4,578)
RPI uplift	510	(510)	-
	510	(11,214)	(10,704)
At 31 December 2020	43,055	59,669	102,724

The above figures exclude the functional endowment fund (note 17b) and the Roxburgh endowment fund (note 18).

Notes to the Financial Statements

17a. Invested endowment fund (continued)

Charity	Permanent endowment fund	Unapplied total return	Total
	£'000	£'000	£'000
At 1 January 2019	41,650	77,942	119,592
Movements in the reporting period:			
Investment income	-	4,455	4,455
Realised and unrealised gains	-	(5,628)	(5,628)
Less: property operational and investment management costs	-	(235)	(235)
Total return for the year	-	(1,408)	(1,408)
Unapplied total return allocated to income	-	(4,781)	(4,781)
Transfer to unrestricted funds to reflect 2017 gains	-	-	-
RPI uplift	895	(895)	-
	895	(7,084)	(6,189)
At 1 January 2020	42,545	70,858	113,403
Movements in the reporting period:			
Investment income	-	4,053	4,053
Realised and unrealised losses	-	(9,869)	(9,869)
Less: property operational and investment management costs	-	(212)	(212)
Total return for the year	-	(6,028)	(6,028)
Unapplied total return allocated to income	-	(4,578)	(4,578)
RPI uplift	510	(510)	-
	510	(11,116)	(10,606)
	-	-	-
At 31 December 2020	43,055	59,742	102,797

The above figures exclude the functional endowment fund (note 17b) and the Roxburgh endowment fund (note 18).

Notes to the Financial Statements

17b. Functional endowment fund

The functional endowment is that part of the endowment which is held for operational, rather than investment purposes, and is therefore not included in total return calculations. The assets which make up the functional endowment are those which were almshouses at the time the 2012 Scheme was approved (Chapel House, Fitzjocelyn / John Wood House, Rosenberg House, Chandos House, Combe Park), and Magdalen Chapel. The functional endowment also includes £1.925m (2019: £1.849m) set aside for future almshouse provision under the 2017 Scheme when the change of use of Chandos and St Catherine's was approved.

Charity & Consolidated	2020 £'000	2019 £'000
Balance brought forward	12,633	12,746
(Deficit)	(114)	(113)
Balance carried forward	12,519	12,633

18. Roxburgh endowment fund

Consolidated and charity	2020 £'000	2019 £'000
Balance brought forward	149	128
Valuation (losses) / gains	(26)	21
Balance carried forward	123	149

The Roxburgh permanent endowment fund has been shown separately in these notes as, unlike the rest of the charity's endowed funds, the income from this fund has a restricted purpose: to provide relief for single woman over the age of 50 in the Bath area.

19. Designated fund

Extraordinary repairs fund

Consolidated and charity	2020 £'000	2019 £'000
Balance brought forward	826	669
Investment management cost	(2)	(2)
Unrealised gain / (loss) on revaluation	(35)	159
Transfers	(789)	-
Balance carried forward	-	826

The fund was set up to ensure that monies are available to cover unplanned repairs to the almshouses, in instances where no other funds are available. Upon review, the Trustees decided to release the designated fund in the financial year. A transfer has been made to unrestricted funds (note 20).

Notes to the Financial Statements

20. Unrestricted fund

The unrestricted fund is the retained annual surplus of investment income over the deficit on the provision of almshouse accommodation, the cost of grants and community outreach activities. Surpluses are available at the discretion of the Trustee for maintenance of the permanent endowment and other purposes to achieve the charitable objectives of the charity.

	2020	2019
Consolidated	**£'000**	**£'000**
Realised and unrealised (losses) / gains	(233)	574
Operating result	(4,138)	(4,605)
Total return transfer from permanent endowment fund	4,578	4,781
Transfer of designated fund	788	-
Net movement in the year	995	750
Balance brought forward	4,590	3,840
Balance carried forward	5,585	4,590
Charity		
Realised and unrealised (losses) / gains	(233)	573
Operating result	(4,219)	(4,623)
Total return transfer from permanent endowment fund	4,578	4,781
Transfer of designated fund	788	-
Net movement in the year	914	731
Balance brought forward	4,611	3,880
Balance carried forward	5,525	4,611

Notes to the Financial Statements

21. Restricted funds

Consolidated and charity (as at 31 December 2020)	Joseph Matthews Foundation	Roxburgh	Feeding Britain	Infection Control Fund	Total
	£'000	£'000	£'000	£'000	£'000
Balance brought forward	38	9	-	-	47
Income	-	6	18	1	24
Expenditure	(38)	(5)	(18)	(1)	(61)
Balance carried forward	-	10	-	-	10

Consolidated and charity (as at 31 December 2019)	Joseph Matthews Foundation	Roxburgh	Action Against Child Poverty	Total
	£'000	£'000	£'000	£'000
Balance brought forward	82	4	39	125
Income	-	10	3	13
Expenditure	(44)	(5)	(42)	(91)
Balance carried forward	38	9	-	47

Joseph Matthews Foundation
A restricted legacy was provided to the charity to support St John's in community outreach activities for those in Bath over 75 years of age.

22. Transfers

	Permanent endowment fund	Unrestricted fund	Designated fund
	£'000	£'000	£'000
Closure of designated fund		789	(789)
Transfer of unapplied total return to income	(4,578)	4,578	

Notes to the Financial Statements

23. Analysis of net assets between funds

Consolidated As at 31 December 2020	Invested endowment fund £'000	Functional endowment fund £'000	Roxburgh endowment fund £'000	Restricted fund £'000	Designated fund £'000	Unrestricted fund £'000	Total £'000
Tangible fixed assets	-	10,595	-	-	-	1,463	12,058
Intangible fixed assets	-	-	-	-	-	32	32
Investments	102,561		123	-	-	2,867	105,551
Social investments	163	-	-	-	-	-	163
Cash and bank balances	-	1,925	-	10	-	1,233	3,168
Other current assets and liabilities	-	-	-	-	-	(10)	(10)
	102,724	12,520	123	10	-	5,585	120,962

Consolidated As at 31 December 2019	Invested endowment fund £'000	Functional endowment fund £'000	Roxburgh endowment fund £'000	Restricted fund £'000	Designated fund £'000	Unrestricted fund £'000	Total £'000
Tangible fixed assets	-	10,784	-	-	-	1,396	12,180
Intangible fixed assets	-	-	-	-	-	60	60
Investments	113,235	-	149	-	844	4,949	119,177
Social investments	193	-	-	-	-	-	193
Cash and bank balances	-	1,849	-	47	-	743	2,639
Other current assets and liabilities	-	-	-	-	(18)	(2,558)	(2,576)
	113,428	12,633	149	47	826	4,590	131,673

Notes to the Financial Statements

24. Charitable and capital commitments

Capital expenditure commitments:	2020	2019
	£'000	£'000
Legal commitment to build almshouses	1,925	1,849
1 Queen Square	281	30
12/12a Old Bond Street	144	-
	2,350	1,879

The legal commitment with the Charity Commission to build almshouses is also reflected in the functional endowment fund (note 17b).

The charity acts as lessor for its commercial and residential investment property portfolios and is contractually entitled to receive future income. The future minimum lease payments under non-cancellable operating leases expected to be received by the charity and Group are due as follows:

	2020	2019
	£'000	£'000
Within one year	1,966	2,534
Between one and five years	5,377	8,250
After five years	11,824	15,697

The charity leases parking spaces for staff using the head office. The future minimum lease payments under non-cancellable operating leases by the charity and Group are due as follows:

	2020	2019
	£'000	£'000
Within one year	32	32
Between one and five years	10	43

At the year end the charity had the following conditional grant-making commitments:

Within one year	334	866
Between one and five years	-	340

25. Pensions

The charity operates a defined contribution scheme for the benefit of the employees. During the year £158,000 (2019: £143,000) was payable into the defined contribution scheme. The amount due at the year end was £19,000 (2019: £19,000). Included within 'pension costs' in note 8 are pension scheme management fees payable of £14,000 (2019: £14,000).