

THE HOSPITAL OF THE BLESSED MARY, COMMONLY CALLED ST MARY'S, HOSPITAL, CHICHESTER

England & Wales · Charity number 202631

Details

Other names ST MARY'S HOSPITAL, CHICHESTER

Status Registered

Legal form Other

Registered 1962-12-06

Register [View on the Charity Commission register](#)

Contact

Address St. Marys Hospital
St. Martins Square
Chichester
West Sussex
PO19 1NR

Phone 01243783377

Email stmaryshospital@sheen-stickland.co.uk

Website www.stmarysalmshouses.org.uk

Activities

Objects: The objects of the charity are, for the benefit of the public, the relief of financial hardship by (a) the provision of almshouse and other social housing accommodation in Chichester, and such ancillary equipment, services and financial relief and, without prejudice to the generality of the foregoing, contributions to the costs of accommodation and medical and nursing care, as the trustees see fit for the benefit of the residents; and (b) the making of charitable grants or payments for the relief of persons in the Area of Benefit in particular in relation to their housing needs. The Area of Benefit of the charity shall be any area within the Diocese of Chichester which is not more than 15 miles in a straight line from the Cathedral Church of Chichester, with a preference for the City of Chichester (?Area of Benefit?), or such closely adjoining area subject to the discretion of Trustees. (?Objects?)

Activities: Provision of almshouse accommodation for persons of limited financial means

Classification

- **How:** Makes Grants To Individuals, Provides Buildings/facilities/open Space
- **What:** The Prevention Or Relief Of Poverty, Accommodation/housing
- **Who:** The General Public/mankind

Geography

- **Area of benefit:** SEE OBJECT
- West Sussex

Finances

Period end	Income	Expenditure	Assets	Employees
2025-12-31	£1,069,360	£1,843,889	£26,989,213	4
2024-12-31	£1,075,963	£1,074,327	£26,255,095	3
2023-12-31	£1,019,991	£1,103,191	£26,170,850	5
2022-12-31	£873,242	£915,759	£25,938,363	4
2021-12-31	£905,818	£786,380	£26,432,825	6
2020-12-31	£825,509	£818,471	£25,729,755	7

Trustees

Name	Role	Appointed
Rev Edward Dowler	Chair	2024-09-14
David John Parfitt		2024-12-11
Howard Graham Castle-Smith		2023-01-10
Jessica Marchant		2025-12-03
Karl William Roberts		2025-12-03
Matthew Howard		2024-12-11
Rev Paul Doick		2025-02-03
Ruth Margaret Taunt		2018-05-15
Simon Mark Dyson RIBA		2023-06-07
Sophie Hull		2024-12-11

THE HOSPITAL OF THE BLESSED MARY, COMMONLY CALLED ST MARY'S, HOSPITAL, CHICHESTER

England & Wales - Charity number 202631

Accounts

**REPORT OF THE TRUSTEES AND
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025
FOR
HOSPITAL OF THE BLESSED MARY**

Lewis Brownlee (Chichester) Limited
Statutory Auditors
Appledram Barns
Birdham Road
Chichester
West Sussex
PO20 7EQ

HOSPITAL OF THE BLESSED MARY
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FOR THE YEAR ENDED 31 DECEMBER 2025

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HOSPITAL OF THE BLESSED MARY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2025

The trustees present their report with the financial statements of the charity for the year ended 31 December 2025. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

(a) To provide Almshouses currently St Mary's Hospital, the married quarters, St Mary's Lodge, St Mary's Courtyard and the Dears Almshouses.

(b) To provide pensions for residents and other local persons of good character in need.

Constraints

(a) The first charge on the income of the Charity shall be the cost of maintaining the property.

(b) Any properties not required to be retained or occupied for the purpose of the Charity shall not be let for less than the best rent available.

Policy

It is the policy of the Trustees to assist poor persons of good character.

Public benefit

The trustees have considered the Charity Commission guidance on public benefit and consider that the objectives and activities of the Charity provide public benefit in that it provides good quality, affordable sheltered accommodation and a small measure of financial support to elderly people of limited financial means.

HOSPITAL OF THE BLESSED MARY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2025

ACHIEVEMENTS AND PERFORMANCE

2025 Review

The Hospital of the Blessed Mary (St Mary's) was founded as medieval hospital providing accommodation and support to the poor. Its contemporary objects remain to relieve poverty chiefly through the provision of almshouse accommodation in Chichester.

2025 was a significant year for St Mary's in several respects. Whilst continuing to be driven by a commitment to Christian Charity, established over many centuries, important steps have been taken to modernise and strengthen the governance of the Charity, consistent with contemporary needs.

Notably, a key decision was made to clarify the objects of the Charity and to modernise its legal structure, with the intention of forming a new Charitable Incorporated Organisation (CIO). Staff and Trustees have worked closely with our legal advisors, Penningtons Manches Cooper, and it is anticipated that the new CIO will be approved and registered by the Charity Commission during 2026.

St Mary's is chaired by the Dean of Chichester, the Very Reverend Edward Dowler, who is supported by Howard Castle-Smith the Vice Chairman. Several steps have been taken to further strengthen the role of the Board during the year. Three new sub-committees were established. The intention being to improve Board level strategic oversight, whilst retaining oversight of the more operational risks involving residents, property and finance by sub-committees. Antoinette Hayes and Reverend Canon Jack Dunn resigned as Trustees during the year. The Board is grateful for their service to the Charity. Three new Trustees were appointed: Jessica Marchant and Karl Roberts, being directly appointed by the Charity, and Reverend Canon Paul Doick, nominated to the Board by the Chapter of Chichester Cathedral.

St Mary's staff team increased from three to four - the Clerk, Scheme Manager, Custos (Chaplain) and Finance Officer. The latter post, created in 2025, was to allow the Charity to bring day to day financial management 'in house'. These roles are part-time.

St Mary's income is mostly generated by rents from its property portfolio, all of which are in central Chichester. The Charity spent heavily on maintenance and improvements during the year. Major projects included:

- renovation of several heritage properties in Little London and St Pancras
- roof renewal and external decorations in Little London and St Mary's Lodge
- upgrading Fire Safety and other security features throughout the almshouse portfolio
- conversion of an existing guest room to provide an additional almshouse letting.

Notwithstanding, the loss of rent incurred whilst these improvements were made, income from residential lettings grew during the year. Income from charges to residents increased in line with a long-term plan to bring Weekly Maintenance Contributions into line with those of other social housing providers, whilst remaining affordable to residents on low incomes.

Income from the Charity's commercial lettings fell during the year due to the surrender of the lease by one of our four tenants. We are actively seeking a new tenant for this property.

Demand for the Charity's 40 almshouses is strong, both from individual applicants and from the local housing authority who frequently seek to refer more vulnerable applicants to us for accommodation. Having had few vacancies during 2023-24, four new appointments were made to the almshouses in 2025. These new residents have settled in well and speak highly of their experience in moving to their new home.

Beyond the Charity's existing almshouses, Trustees have taken steps to widen the St Mary's activities in line with its charitable objectives, by working with other partners to relieve need within our existing area of benefit. Towards this end, St Mary's provided a loan of £815,000 to the Westbourne Community Trust. This enabled it to build and let 12 new homes at social rent to local people in the village of Westbourne. This scheme was the first of its kind in the District of Chichester and in November was formally opened by Chichester's MP, Jess Brown-Fuller. This provided a proud moment for the Charity, establishing a link between Chichester's oldest social housing provider, with its origins in the twelfth century, and its newest, founded only three years ago.

HOSPITAL OF THE BLESSED MARY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2025

FINANCIAL REVIEW

Financial position

Total income decreased in the year from £1,075,963 to £1,069,360 this was due to a commercial property becoming vacant. Total expenditure increased from £1,074,3271 to £1,843,889. This was due to increased spend on property projects, leaving an operating deficit of £774,529. There were net unrealised losses on investments of £105,295 and a net gain on defined pensions of £11,442. Unrealised gain on the revaluation of the property portfolio amounted to £1,602,500. The overall balance of Hospital funds stands at £26,989,213 compared to the previous year's total of £26,255,095.

Investment Portfolio

St Mary's financial investments are outsourced and managed by CCLA and overseen by a Finance sub-committee, As at 31st December 2025 the portfolio contained a mix of equities, bonds and cash with a value of £1,741,851.

Reserves policy

The Trustees have examined the requirements for reserves in the light of the main risks to the charity. The Trustees do not consider it necessary, at this time, to have an established policy for reserves as they consider the funds generated from income producing investments is sufficient to cover operating and governance costs and access to investments can be gained at short notice.

FUTURE PLANS

As indicated previously, the intention of Trustees is to form a new Charitable Incorporated Organisation ("CIO") during 2026. Following a period of transition the existing charity will be wound up and the work of the charity will be continued by the new CIO structure.

The new CIO will continue to meet its charitable objectives through the provision of almshouses to people in need.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The foundation date of the Hospital is not known, though it reputedly came into existence in the second half of the 12th Century. The present Hospital building dates from about 1290.

The Hospital is governed by a scheme of the Charity Commissioners dated 4th November 1898, which was revised on 17th February 1905, 13th February 1987, 8th August 1991, 2nd January 1997, 20th February 2018 and 26th June 2018. The Trustees of the Hospital and its endowment are drawn from the Chapter of Chichester Cathedral and from other local individuals with knowledge or experience relevant to an almshouse charity.

Induction and training of new trustees

Upon appointment, each new Trustee is made aware of their legal responsibilities and of their role in the governance of the Charity. Regular training is provided to Trustees. This includes updating their knowledge and understanding regarding regulatory and legal development affecting their responsibilities as Trustees and the governance of the Charity.

Risk management

The Charity relies on 3 main income streams to support its aims:

- 1) Residential lets
- 2) Commercial lets
- 3) Investment income

Chichester is a relatively affluent area, and the residential market is buoyant especially for quality lets such as the ones that St Mary's own.

Three of St Mary's four commercial properties are let to tenants on good covenants. A tenant for the fourth property, currently unlet, is being sought which reflects the challenging nature of the high street

Health and Safety risks are managed, and a full review was undertaken by third party in the previous reporting period.

HOSPITAL OF THE BLESSED MARY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2025

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

202631

Principal address

St Mary's Almhouses
St Martins Square
Chichester
West Sussex
PO19 1HR

Trustees

The Very Reverend E Dowler (Chairman)
Mr H Castle-Smith (Vice Chairman)
The Reverend P Doick - appointed 03.12.2025
The Reverend J Dunn - resigned 31.07.2025
Mr S Dyson
Mrs A Hayes - resigned 12.04.2025
Mr M Howard
Miss S Hull
Ms J Marchant - appointed 03.12.2025
Mr D Parfitt
Mr K Roberts - appointed 03.12.2025
Mrs R Taunt

Auditors

Lewis Brownlee (Chichester) Limited
Chartered Accountants
Statutory Auditors
Appledram Barns
Birdham Road
Chichester
West Sussex
PO20 7EQ

Solicitors

Irwin Mitchell
Thomas Eggar House
Friary Lane
Chichester
West Sussex
PO19 1UF

Penningtons Manches Cooper
125 Wood Street
London
EC2V 7AW

Bankers

NatWest Bank Plc
5 East Street
Chichester
West Sussex
PO19 1HH

Scheme Manager

Mrs Sue Porter

Clerk to the Trustees and Administrator

Mr Ivan Western

HOSPITAL OF THE BLESSED MARY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2025

TRUSTEES' RESPONSIBILITY STATEMENT

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

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

Under charity law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

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

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

Approved by order of the board of trustees on 24/4/2026 and signed on its behalf by:



.....
Mr H Castle-Smith - Trustee

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
HOSPITAL OF THE BLESSED MARY**

Opinion

We have audited the financial statements of Hospital of the Blessed Mary (the 'charity') for the year ended 31 December 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2025 and of its incoming resources and application of resources, 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

Matters on which we are required to report by exception

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

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements;
- or
- sufficient accounting records have not been kept; 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.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
HOSPITAL OF THE BLESSED MARY**

Responsibilities of trustees

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

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

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with trustees and other management, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including legislation such as the Charities Act 2011;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence, where applicable; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with relevant regulators and the charity's legal advisors, where applicable.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
HOSPITAL OF THE BLESSED MARY**

Our responsibilities for the audit of the financial statements

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Lewis Brownlee (Chichester) Ltd
Lewis Brownlee (Chichester) Limited
Statutory Auditors
Appledram Barns
Birdham Road
Chichester
West Sussex
PO20 7EQ

Date: *13 May 2026*

HOSPITAL OF THE BLESSED MARY
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	2025 Unrestricted funds £	2024 Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	2	261,335	204,692
Investment income	3	<u>808,025</u>	<u>871,271</u>
Total		<u>1,069,360</u>	<u>1,075,963</u>
EXPENDITURE ON			
Charitable activities			
Investment and property repairs	4	795,674	218,449
Almshouses	5	<u>1,048,215</u>	<u>855,878</u>
Total		<u>1,843,889</u>	<u>1,074,327</u>
Net gains/(losses) on investments		<u>(105,295)</u>	<u>82,609</u>
NET INCOME		(879,824)	84,245
Other recognised gains/(losses)			
Gains on revaluation of fixed assets		1,602,500	-
Actuarial gains on defined benefit schemes		<u>11,442</u>	<u>-</u>
Net movement in funds		734,118	84,245
RECONCILIATION OF FUNDS			
Total funds brought forward		<u>26,255,095</u>	<u>26,170,850</u>
TOTAL FUNDS CARRIED FORWARD		<u>26,989,213</u>	<u>26,255,095</u>

The notes form part of these financial statements

HOSPITAL OF THE BLESSED MARY

**BALANCE SHEET
31 DECEMBER 2025**

	Notes	2025 Unrestricted funds £	2024 Total funds £
FIXED ASSETS			
Tangible assets	10	2,172,115	4,667,725
Investments	11	<u>23,981,851</u>	<u>21,614,645</u>
		26,153,966	26,282,370
CURRENT ASSETS			
Debtors	12	1,007,608	182,789
Cash at bank		<u>148,933</u>	<u>25,323</u>
		1,156,541	208,112
CREDITORS			
Amounts falling due within one year	13	(259,641)	(171,082)
NET CURRENT ASSETS		<u>896,900</u>	<u>37,030</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		27,050,866	26,319,400
CREDITORS			
Amounts falling due after more than one year	14	(61,653)	(64,305)
NET ASSETS		<u>26,989,213</u>	<u>26,255,095</u>
FUNDS			
Unrestricted funds	17	<u>26,989,213</u>	<u>26,255,095</u>
TOTAL FUNDS		<u>26,989,213</u>	<u>26,255,095</u>

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



.....
Mr H Castle-Smith - Trustee

The notes form part of these financial statements

HOSPITAL OF THE BLESSED MARY
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	2025 £	2024 £
Cash flows from operating activities			
Cash generated from operations	1	(2,176,333)	(803,991)
Interest paid		<u>(5,175)</u>	<u>(8,010)</u>
Net cash used in operating activities		<u>(2,181,508)</u>	<u>(812,001)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(40,338)	(623,744)
Sale of fixed asset investments		1,539,999	300,000
Rents received		735,119	765,027
Dividends & interest		71,342	197,552
Interest received		1,184	2,458
Dividends received		<u>379</u>	<u>620</u>
Net cash provided by investing activities		<u>2,307,685</u>	<u>641,913</u>
Cash flows from financing activities			
Loan repayments in year		<u>(2,567)</u>	<u>(691)</u>
Net cash used in financing activities		<u>(2,567)</u>	<u>(691)</u>
Change in cash and cash equivalents in the reporting period			
		123,610	(170,779)
Cash and cash equivalents at the beginning of the reporting period		<u>25,323</u>	<u>196,102</u>
Cash and cash equivalents at the end of the reporting period		<u><u>148,933</u></u>	<u><u>25,323</u></u>

The notes form part of these financial statements

HOSPITAL OF THE BLESSED MARY
NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2025

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES	2025	2024	
	£	£	
Net income for the reporting period (as per the Statement of Financial Activities)	734,118	84,245	
Adjustments for:			
Depreciation charges	125,948	173,341	
Gain on investments	(1,497,205)	(82,609)	
Interest received	(1,184)	(2,458)	
Interest paid	5,175	8,010	
Dividends received	(379)	(620)	
Rents received	(735,119)	(765,027)	
Dividends and interest received	(71,342)	(197,552)	
(Increase)/decrease in debtors	(824,819)	18,231	
Increase/(decrease) in creditors	88,474	(39,552)	
Net cash used in operations	<u>(2,176,333)</u>	<u>(803,991)</u>	
2. ANALYSIS OF CHANGES IN NET (DEBT)/FUNDS			
	At 1.1.25	Cash flow	At 31.12.25
	£	£	£
Net cash			
Cash at bank	<u>25,323</u>	<u>123,610</u>	<u>148,933</u>
	<u>25,323</u>	<u>123,610</u>	<u>148,933</u>
Debt			
Debts falling due within 1 year	(767)	(85)	(852)
Debts falling due after 1 year	<u>(64,305)</u>	<u>2,652</u>	<u>(61,653)</u>
	<u>(65,072)</u>	<u>2,567</u>	<u>(62,505)</u>
Total	<u>(39,749)</u>	<u>126,177</u>	<u>86,428</u>

The notes form part of these financial statements

HOSPITAL OF THE BLESSED MARY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, except for investments which are included at market value, as modified by the revaluation of certain assets.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest pound.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Income from investment property rents is recognised in the year in which it is receivable.

The Statement of financial activities includes the net gains and losses arising on revaluations and disposals of investment assets throughout the year.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year-end date are noted as a commitment but not accrued as expenditure.

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 2% on cost
St Mary's Lodge	- in accordance with the property lease
Plant and machinery	- 20% on cost

Property expenditure which goes above and beyond simple maintenance is capitalised, where the cost of the work exceeds £10,000.

Taxation

The charity is exempt from tax on its charitable activities.

Listed investments

Listed investments are measured initially at cost and subsequently at fair value.

Investment property

Investment property is shown at fair value. Any aggregate surplus or deficit arising from changes in fair value is transferred to the Statement of Financial Activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

HOSPITAL OF THE BLESSED MARY

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2025

1. ACCOUNTING POLICIES - continued

Fund accounting

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Pension costs and other post-retirement benefits

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

Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are recognised at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost. The Charity has no advanced financial instruments.

Going concern

The charity has a large amount of liquid assets which can be used to support any short-term downturns in revenue and any exceptional expenditure. On this basis the Trustees believe the charity is a going concern.

2. DONATIONS AND LEGACIES

	2025	2024
	£	£
Resident's contribution	260,907	204,054
Donations from visitors	428	638
	<u>261,335</u>	<u>204,692</u>

3. INVESTMENT INCOME

	2025	2024
	£	£
Rents received	735,120	771,792
Dividends & interest	71,342	96,401
Guest room rental	379	620
Deposit account interest	1,184	2,458
	<u>808,025</u>	<u>871,271</u>

HOSPITAL OF THE BLESSED MARY

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2025

4. CHARITABLE ACTIVITIES COSTS

	2025 £	2024 £
Property repairs	703,979	142,662
Professional charges	61,437	59,090
Insurance	5,234	5,206
Rates	14,697	5,245
Heat & Light	<u>10,327</u>	<u>6,246</u>
	<u>795,674</u>	<u>218,449</u>

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Grant funding of activities (see note 6) £	Support costs (see note 7) £	Totals £
Almshouses	<u>927,900</u>	<u>30</u>	<u>120,285</u>	<u>1,048,215</u>

6. GRANTS PAYABLE

	2025 £	2024 £
Almshouses	<u>30</u>	<u>5,286</u>

The total grants paid to institutions during the year was as follows:

	2025 £	2024 £
St Richard of Chichester Christian Care Association	-	286
Chichester Heart for Homeless	-	5,000
Swanfield Chapel	<u>30</u>	<u>-</u>
	<u>30</u>	<u>5,286</u>

7. SUPPORT COSTS

	Management £	Finance £	Governance costs £	Totals £
Almshouses	<u>11,945</u>	<u>6,257</u>	<u>102,083</u>	<u>120,285</u>

HOSPITAL OF THE BLESSED MARY

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

7. SUPPORT COSTS - continued

Included in the above is £10,380 (2024: £15,555) which relates to the auditors remuneration. Non audit fees amount to £38,307 (2024: £29,441).

8. TRUSTEES' REMUNERATION AND BENEFITS

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

Trustees' expenses

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

9. STAFF COSTS

	2025	2024
	£	£
Wages and salaries	86,135	94,268
Social security costs	1,704	8,760
Other pension costs	<u>15,269</u>	<u>19,195</u>
	<u>103,108</u>	<u>122,223</u>

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

	2025	2024
Employees	<u>4</u>	<u>4</u>

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

10. TANGIBLE FIXED ASSETS

	Freehold property £	St Mary's Lodge £	Plant and machinery £	Totals £
COST				
At 1 January 2025	5,559,769	397,725	277,609	6,235,103
Additions	40,338	-	-	40,338
Reclassification	<u>(2,410,000)</u>	<u>-</u>	<u>-</u>	<u>(2,410,000)</u>
At 31 December 2025	<u>3,190,107</u>	<u>397,725</u>	<u>277,609</u>	<u>3,865,441</u>
DEPRECIATION				
At 1 January 2025	1,253,052	245,253	69,073	1,567,378
Charge for year	<u>63,802</u>	<u>6,624</u>	<u>55,522</u>	<u>125,948</u>
At 31 December 2025	<u>1,316,854</u>	<u>251,877</u>	<u>124,595</u>	<u>1,693,326</u>
NET BOOK VALUE				
At 31 December 2025	<u>1,873,253</u>	<u>145,848</u>	<u>153,014</u>	<u>2,172,115</u>
At 31 December 2024	<u>4,306,717</u>	<u>152,472</u>	<u>208,536</u>	<u>4,667,725</u>

HOSPITAL OF THE BLESSED MARY

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

11. FIXED ASSET INVESTMENTS

	Listed investments £	Investment Properties £	Totals £
MARKET VALUE			
At 1 January 2025	3,387,145	18,227,500	21,614,645
Disposals	(1,572,758)	-	(1,572,758)
Revaluations	(72,536)	1,602,500	1,529,964
Reclassification/transfer	-	2,410,000	2,410,000
	<u>1,741,851</u>	<u>22,240,000</u>	<u>23,981,851</u>
At 31 December 2025	<u>1,741,851</u>	<u>22,240,000</u>	<u>23,981,851</u>
NET BOOK VALUE			
At 31 December 2025	<u>1,741,851</u>	<u>22,240,000</u>	<u>23,981,851</u>
At 31 December 2024	<u>3,387,145</u>	<u>18,227,500</u>	<u>21,614,645</u>

There were no investment assets outside the UK.

The approximate historical cost of investment properties is £1,678,683, which is estimated as a result of a lack of detailed records.

The residential investment properties were subject to a formal valuation undertaken by Flude Property Consultants and Chartered Surveyors on 31 December 2025. The basis of valuation was open market value.

The commercial investment properties were subject to a formal valuation on 31 December 2021 by Flude Property Consultants and Chartered Surveyors. The basis of valuation was open market value. The trustees believe that the current valuation of these properties is not materially different to the valuation as stated in these financial statements.

During 2025 the Charity entered into a deferred contract to sell 141 and 142 St Pancras. The properties will be sold for £600,000 within five years of the date of the agreement, during which interest of 4.25% per annum will be charged.

12. DEBTORS

	2025 £	2024 £
Amounts falling due within one year:		
Trade debtors	51,316	61,044
Other debtors	<u>141,292</u>	<u>121,745</u>
	<u>192,608</u>	<u>182,789</u>
Amounts falling due after more than one year:		
Other debtors	<u>815,000</u>	<u>-</u>
Aggregate amounts	<u>1,007,608</u>	<u>182,789</u>

During 2025 a loan of £815,000 was made to Westbourne Community Trust Limited to partly fund the development of an affordable housing scheme to provide socially rented accommodation in Westbourne, West Sussex. The loan is for 30 years, at a fixed interest rate of 5% on the first £750,000 and 4% on the remaining £65,000. Interest repayments will commence 1 April 2026. Capital repayments will commence 60 months from the date of the advancement of the loan.

The charity holds a first legal charge over the property and associated assets with Westbourne Community Trust Limited.

HOSPITAL OF THE BLESSED MARY

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

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025	2024
	£	£
Other loans (see note 15)	852	767
Trade creditors	119,899	40,159
Rent deposits	48,377	47,631
Accruals and deferred income	<u>90,513</u>	<u>82,525</u>
	<u>259,641</u>	<u>171,082</u>

Included above is deferred income of £53,266 (2024: £53,125) which relates to rents received in advance.

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

	2025	2024
	£	£
Other loans (see note 15)	<u>61,653</u>	<u>64,305</u>

15. LOANS

An analysis of the maturity of loans is given below:

	2025	2024
	£	£
Amounts falling due within one year on demand:		
Housing corporation loan	<u>852</u>	<u>767</u>
Amounts falling between one and two years:		
Other loans - 1-2 years	<u>946</u>	<u>852</u>
Amounts falling due between two and five years:		
Other loans - 2-5 years	<u>3,512</u>	<u>3,163</u>
Amounts falling due in more than five years:		
Repayable by instalments:		
Other loans more 5yrs instal	57,195	60,290

16. SECURED DEBTS

The following secured debts are included within creditors:

	2025	2024
	£	£
Housing corporation loan	<u>62,505</u>	<u>65,072</u>

The loans are due to the Housing Corporation and are secured by way of a specific charges against the properties owned by the charity. The loans are repayable at varying rates of interest to a maximum of 10.75% per annum. Capital is being repaid over 60 years from 31 March 1987.

HOSPITAL OF THE BLESSED MARY

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2025

17. MOVEMENT IN FUNDS

	At 1.1.25 £	Net movement in funds £	At 31.12.25 £
Unrestricted funds			
General fund	26,255,095	734,118	26,989,213
TOTAL FUNDS	<u>26,255,095</u>	<u>734,118</u>	<u>26,989,213</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	1,069,360	(1,843,889)	1,508,647	734,118
TOTAL FUNDS	<u>1,069,360</u>	<u>(1,843,889)</u>	<u>1,508,647</u>	<u>734,118</u>

Comparatives for movement in funds

	At 1.1.24 £	Net movement in funds £	At 31.12.24 £
Unrestricted funds			
General fund	26,170,850	84,245	26,255,095
TOTAL FUNDS	<u>26,170,850</u>	<u>84,245</u>	<u>26,255,095</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	1,075,963	(1,074,327)	82,609	84,245
TOTAL FUNDS	<u>1,075,963</u>	<u>(1,074,327)</u>	<u>82,609</u>	<u>84,245</u>

HOSPITAL OF THE BLESSED MARY

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

17. MOVEMENT IN FUNDS - continued

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

	At 1.1.24 £	Net movement in funds £	At 31.12.25 £
Unrestricted funds			
General fund	26,170,850	818,363	26,989,213
TOTAL FUNDS	<u>26,170,850</u>	<u>818,363</u>	<u>26,989,213</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	2,145,323	(2,918,216)	1,591,256	818,363
TOTAL FUNDS	<u>2,145,323</u>	<u>(2,918,216)</u>	<u>1,591,256</u>	<u>818,363</u>

18. RELATED PARTY DISCLOSURES

During the year ended 31 December 2025 the Charity incurred expenditure of £16,560 to M.J Howard MDC Limited, a company whose director and shareholder is a trustee of the charity. All transactions were conducted on an arms length basis.

19. PENSIONS

St Mary's Hospital participates in the Church of England Defined Benefits Scheme (DBS), part of the church Workers Pensions Fund, for employees who joined the staff before 31st December 2002. At 31st December 2025 there are no active members. The assets of the fund are held separately from those of St Mary's Hospital.

The Defined Benefits scheme was the subject of a full valuation as at 31st December 2022. The fund was shown to be in surplus and payments to meet a previous deficit have now ceased.

St Mary's Hospital also participates in the Church Workers Pension fund Pension Builder 2014 Defined Contribution Scheme. Pension contributions are charged to the Statement of Financial Activities as they arise.

HOSPITAL OF THE BLESSED MARY
DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2025

	2025 £	2024 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Resident's contribution	260,907	204,054
Donations from visitors	<u>428</u>	<u>638</u>
	261,335	204,692
Investment income		
Rents received	735,120	771,792
Dividends & interest	71,342	96,401
Guest room rental	379	620
Deposit account interest	<u>1,184</u>	<u>2,458</u>
	808,025	871,271
Total incoming resources	1,069,360	1,075,963
EXPENDITURE		
Investment management costs		
Property repairs	703,979	142,662
Professional charges	61,437	59,090
Insurance	5,234	5,206
Rates	14,697	5,245
Heat & Light	<u>10,327</u>	<u>6,246</u>
	795,674	218,449
Charitable activities		
Wages	86,135	94,268
Social security	1,704	8,760
Pensions	15,269	19,195
Rates and water	52,662	21,212
Insurance	27,366	26,527
Light and heat	46,443	93,134
Sundries	9,293	12,315
Garden expenses	52,113	62,079
Repairs & maintenance	491,209	251,718
Outings & trips	19,758	6,602
Depreciation of St Mary's Courtyard	63,802	111,195
Depreciation of St Mary's Lodge	6,624	6,624
Plant and machinery	55,522	55,522
Grants to institutions	<u>30</u>	<u>5,286</u>
	927,930	774,437
Support costs		
Management		
Telephone	11,945	11,496

This page does not form part of the statutory financial statements

HOSPITAL OF THE BLESSED MARY
DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2025

	2025 £	2024 £
Management		
Finance		
Bank charges	1,082	708
Loan	<u>5,175</u>	<u>7,051</u>
	6,257	7,759
Governance costs		
Auditors' remuneration	8,385	15,555
Bookkeeping	48,337	29,441
Legal and professional fees	<u>45,361</u>	<u>17,190</u>
	102,083	62,186
Total resources expended	<u>1,843,889</u>	<u>1,074,327</u>
Net (expenditure)/income before gains and losses	(774,529)	1,636
Realised recognised gains and losses		
Realised gains/(losses) on fixed asset investments	<u>(32,759)</u>	<u>6,817</u>
Net (expenditure)/income	<u>(807,288)</u>	<u>8,453</u>

This page does not form part of the statutory financial statements

THE HOSPITAL OF THE BLESSED MARY, COMMONLY CALLED ST MARY'S, HOSPITAL, CHICHESTER

England & Wales - Charity number 202631

Accounts

**REPORT OF THE TRUSTEES AND
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024
FOR
HOSPITAL OF THE BLESSED MARY**

Lewis Brownlee (Chichester) Limited
Statutory Auditors
Appledram Barns
Birdham Road
Chichester
West Sussex
PO20 7EQ

HOSPITAL OF THE BLESSED MARY
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FOR THE YEAR ENDED 31 DECEMBER 2024

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HOSPITAL OF THE BLESSED MARY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2024

The trustees present their report with the financial statements of the charity for the year ended 31 December 2024. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

(a) To provide Almshouses currently St Mary's Hospital, the married quarters, St Mary's Lodge, St Mary's Courtyard and the Dears Almshouses.

(b) To provide pensions for residents and other local persons of good character in need.

Constraints

(a) The first charge on the income of the Charity shall be the cost of maintaining the property.

(b) Any properties not required to be retained or occupied for the purpose of the Charity shall not be let for less than the best rent available.

Policy

It is the policy of the Trustees to assist poor persons of good character.

Public benefit

The trustees have considered the Charity Commission guidance on public benefit and consider that the objectives and activities of the Charity provide public benefit in that it provides good quality, affordable sheltered accommodation and a small measure of financial support to elderly people of limited financial means.

ACHIEVEMENTS AND PERFORMANCE

2023 Review

2024 was marked by continued heavy investment in the renovation and improvement of our almshouse and commercial property portfolio, a strategic review of the Charity's objectives and the implementation of more realistic accommodation charges for almshouse residents.

The Very Reverend Edward Dowler joined the Board of Trustees as Chair in September 2024, subsequent to his appointment as the Dean of Chichester. Reverend Simon Holland and Jill Evershed-Martin resigned as Trustees during the year, and three new Trustees were appointed: David Parfitt, Sophie Hull and Matthew Howard.

During the year Trustees undertook a strategic review of the Charity's objectives and mission which was used to develop a series of Vision Statements encompassing five key objectives. These relate to the charity's role as a landlord, its Christian ethos, its culture and heritage, effective governance and role in addressing social exclusion.

As part of the review Trustees resolved to restructure the legal identity of the Charity as an incorporated body. Steps to achieve this are ongoing and this process should be completed by the end of 2025.

Significant investment was made in the renovation and improvement of the almshouse and commercial property portfolio. Major projects included the renewal of heating systems in the Hospital and Courtyard buildings, the replacement of the lift in St Mary's Lodge and the renovation of three Georgian town houses in St Martin's Square. Other projects emphasised the Charity's commitment to compliance with health and safety requirements. This involved major upgrades to fire doors, replacement or removal of several stair lifts and the extension of CCTV coverage to our Riverside almshouses.

It was resolved to dispose of five properties in St Pancras, these properties remained vacant at the end of the year pending sale.

Charges to residents were increased in line with proposals for a series of phased increases to charges which was agreed in 2023. As a result of this a more consistent set of charges now applies to all residents in our almshouse properties.

Demand for almshouse accommodation remains very strong, with only one vacant almshouse being let during the year and a growing waiting list of prospective applicants.

HOSPITAL OF THE BLESSED MARY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2024

FINANCIAL REVIEW

Financial position

Total incoming resources increased for the year from £1,019,991 to £1,075,963 primarily due to an increase in residential income. Total expenditure decreased from £1,103,191 to £1,074,327 as a result of decreased spend on property projects, leaving an operating surplus of £1,636. There were net gains on investments of £82,609. The overall balance of Hospital funds stands at £26,255,095 compared to the previous year's total of £26,170,850.

Investment Strategy

The Finance Committee for Chapter also acts as the overseeing Finance Committee for St Mary's investments. The strategy remains 100% equity, which at 31 December 2024 was invested with CCLA.

Reserves policy

The Trustees have examined the requirements for reserves in the light of the main risks to the organisation. The Trustees do not consider it necessary to have an established policy for reserves as they consider the funds generated from income producing investments is sufficient to cover operating and governance costs and access to investments can be gained at short notice.

FUTURE PLANS

The Hospital will continue to meet its charitable objectives in the future and to ensure that all of its investment assets are maintained to the highest standard.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The foundation date of the Hospital is not known, though it reputedly came in to existence in the second half of the 12th Century. The present Hospital building dates from about 1290.

The Hospital is governed by a scheme of the Charity Commissioners dated 4th November 1898, which was revised on 17th February 1905, 13th February 1987, 8th August 1991, 2nd January 1997, 20th February 2018 and 26th June 2018. The Trustees of the Hospital and its endowment are drawn from the Chapter of Chichester Cathedral and also from other individuals with knowledge or experience relevant to an almshouse charity.

Induction and training of new trustees

Upon appointment, each new Trustee is made aware of their legal responsibilities and of their areas affecting the governance of the Fund. Regular training is provided to Trustees as required. This includes updating their knowledge and understanding regarding regulatory and legal development affecting their responsibilities as Trustees and the governance of the fund.

Internal controls

The internal control function is undertaken by the Clerk to the Trustees on behalf of the Trustees in accordance with the Financial and Management paper. He conducts an appraisal of the following management controls:

- (a) Implementation of management policies and directives.
- (b) Safeguard of the assets and interests of the association.
- (c) Compliance with statutory and other regulatory requirements.
- (d) The reliability and integrity of financial and operating information.
- (e) Efficient, effective and economic use of resources.

With regard to financial matters, he ensures specifically that;

- (f) The two cheque signatories are provided with authorised supporting documentation at the time of signature.
- (g) A close record is maintained of rents receivable and attention drawn to any defaulters.
- (h) The performance of investments is monitored.
- (i) Delegated limits for financial expenditure are not exceeded.
- (j) Competitive tenders are sought for projects in excess of the limits authorised for single tender action and handled in accordance with best practice.

HOSPITAL OF THE BLESSED MARY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2024

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

The Charity relies on 3 main income streams to support its aims:

- 1) Residential lets
- 2) Commercial lets
- 3) Investment income

Chichester is an affluent area and the residential market is buoyant especially for quality lets such as the ones that St Mary's own.

The commercial lets are all on good tenant covenants with solid trading history, although market conditions have become more challenging in recent years.

Only one property is an FRI lease and that is the bank. We currently insure the properties including residential.

The investment income portfolio is delegated by St Mary's to the Chapter Finance Committee who monitor outturns and recommends investment mix. The equity and bond ratio is currently 100:00 and is therefore at risk to a sudden market downturn.

Operational risk stems from staffing cover and competence and the Trustees review the staffing needs regularly. The staffing overhead is relatively low and competence is shared across functions with Chapter which reduces cost and risk.

Health and Safety risks are managed and a full review was undertaken by third party in the previous reporting period.

HOSPITAL OF THE BLESSED MARY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2024

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

202631

Principal address

Cathedral Office
The Royal Chantry
Cathedral Cloisters
Chichester
West Sussex
PO19 1PX

Trustees

The Very Reverend E Dowler (Chairman) - appointed 14.09.2024
The Reverend S Holland (Chairman) - resigned 31.07.2025
The Reverend Canon M Townsend Payne - resigned 08.01.24
Mrs R Taunt
Mrs A Hayes - resigned 12.04.2025
Mrs J Evershed-Martin - resigned 30.09.2024
The Reverend J Dunn - resigned 31.07.2025
Mr S Dyson
Mr H Castle-Smith
Mr M Howard - appointed 11.12.2024
Mr D Parfitt - appointed 11.12.2024
Ms S Hull - appointed 11.12.2024

Auditors

Lewis Brownlee (Chichester) Limited
Chartered Accountants
Statutory Auditors
Appledram Barns
Birdham Road
Chichester
West Sussex
PO20 7EQ

Solicitors

Irwin Mitchell
Thomas Eggar House
Friary Lane
Chichester
West Sussex
PO19 1UF

Bates Wells
10 Queen Street Place
London
EC4R 1BE

Bankers

NatWest Bank Plc
5 East Street
Chichester
West Sussex
PO19 1HH

Scheme Manager

Mrs Sue Porter

Clerk to the Trustees and Administrator

Mr Ivan Western

HOSPITAL OF THE BLESSED MARY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2024

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

TRUSTEES' RESPONSIBILITY STATEMENT

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

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them 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. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on *18/09/2025* and signed on its behalf by:



.....
The Very Reverend E Dowler - Chairman

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
HOSPITAL OF THE BLESSED MARY**

Opinion

We have audited the financial statements of Hospital of the Blessed Mary (the 'charity') for the year ended 31 December 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2024 and of its incoming resources and application of resources, 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

Matters on which we are required to report by exception

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

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; 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.

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF HOSPITAL OF THE BLESSED MARY

Responsibilities of trustees

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

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

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including legislation such as the Companies Act 2006 and taxation legislation
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence, where applicable; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the company's legal advisors, where applicable.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
HOSPITAL OF THE BLESSED MARY**

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Lewis Brownlee (Chichester) Ltd

Lewis Brownlee (Chichester) Limited

Statutory Auditors

Appledram Barns

Birdham Road

Chichester

West Sussex

PO20 7EQ

Date: 29 October 2025

HOSPITAL OF THE BLESSED MARY
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2024

		2024 Unrestricted funds £	2023 Total funds £
INCOME AND ENDOWMENTS FROM	Notes		
Donations and legacies	2	204,692	149,775
Investment income	3	<u>871,271</u>	<u>870,216</u>
Total		<u>1,075,963</u>	<u>1,019,991</u>
EXPENDITURE ON			
Raising funds	4	218,449	197,574
Charitable activities	5		
Almshouses		855,878	905,617
Other		-	-
Total		<u>1,074,327</u>	<u>1,103,191</u>
Net gains on investments		<u>82,609</u>	<u>315,687</u>
NET INCOME		84,245	232,487
RECONCILIATION OF FUNDS			
Total funds brought forward		<u>26,170,850</u>	<u>25,938,363</u>
TOTAL FUNDS CARRIED FORWARD		<u>26,255,095</u>	<u>26,170,850</u>

The notes form part of these financial statements

HOSPITAL OF THE BLESSED MARY

BALANCE SHEET
31 DECEMBER 2024

		2024 Unrestricted funds £	2023 Total funds £
FIXED ASSETS	Notes		
Tangible assets	10	4,667,725	4,217,322
Investments	11	<u>21,614,645</u>	<u>21,832,036</u>
		26,282,370	26,049,358
CURRENT ASSETS			
Debtors	12	182,789	201,020
Cash at bank		<u>25,323</u>	<u>196,102</u>
		208,112	397,122
CREDITORS			
Amounts falling due within one year	13	<u>(171,082)</u>	(210,558)
NET CURRENT ASSETS		<u>37,030</u>	<u>186,564</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		26,319,400	26,235,922
CREDITORS			
Amounts falling due after more than one year	14	<u>(64,305)</u>	(65,072)
NET ASSETS		<u>26,255,095</u>	<u>26,170,850</u>
FUNDS			
Unrestricted funds	17	<u>26,255,095</u>	26,170,850
TOTAL FUNDS		<u>26,255,095</u>	<u>26,170,850</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 18/09/2025 and were signed on its behalf by:



.....
The Very Reverend E Dowler - Chairman

The notes form part of these financial statements

HOSPITAL OF THE BLESSED MARY
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	2024 £	2023 £
Cash flows from operating activities			
Cash generated from operations	1	(803,991)	(809,379)
Interest paid		<u>(8,010)</u>	<u>(7,742)</u>
Net cash used in operating activities		<u>(812,001)</u>	<u>(817,121)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(623,744)	(358,514)
Sale of fixed asset investments		300,000	100,000
Rents received		765,027	765,065
Dividends & interest		197,552	100,634
Interest received		2,458	3,111
Dividends received		<u>620</u>	<u>1,406</u>
Net cash provided by investing activities		<u>641,913</u>	<u>611,702</u>
Cash flows from financing activities			
Loan repayments in year		<u>(691)</u>	<u>(622)</u>
Net cash used in financing activities		<u>(691)</u>	<u>(622)</u>
Change in cash and cash equivalents in the reporting period			
Cash and cash equivalents at the beginning of the reporting period		<u>196,102</u>	<u>402,143</u>
Cash and cash equivalents at the end of the reporting period		<u><u>25,323</u></u>	<u><u>196,102</u></u>

The notes form part of these financial statements

HOSPITAL OF THE BLESSED MARY

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2024

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

	2024 £	2023 £
Net income for the reporting period (as per the Statement of Financial Activities)	84,245	232,487
Adjustments for:		
Depreciation charges	173,341	121,872
Gain on investments	(82,609)	(315,687)
Interest received	(2,458)	(3,111)
Interest paid	8,010	7,742
Dividends received	(620)	(1,406)
Rents received	(765,027)	(765,065)
Dividends and interest received	(197,552)	(100,634)
Decrease in debtors	18,231	78,986
Decrease in creditors	(39,552)	(64,563)
Net cash used in operations	<u>(803,991)</u>	<u>(809,379)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS/(DEBT)

	At 1/1/24 £	Cash flow £	At 31/12/24 £
Net cash			
Cash at bank	<u>196,102</u>	<u>(170,779)</u>	<u>25,323</u>
	<u>196,102</u>	<u>(170,779)</u>	<u>25,323</u>
Debt			
Debts falling due within 1 year	(691)	(76)	(767)
Debts falling due after 1 year	<u>(65,072)</u>	<u>767</u>	<u>(64,305)</u>
	<u>(65,763)</u>	<u>691</u>	<u>(65,072)</u>
Total	<u><u>130,339</u></u>	<u><u>(170,088)</u></u>	<u><u>(39,749)</u></u>

The notes form part of these financial statements

HOSPITAL OF THE BLESSED MARY

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

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Income from investment property rents is recognised in the year in which it is receivable.

The Statement of financial activities includes the net gains and losses arising on revaluations and disposals of investment assets throughout the year.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 2% and 10% on cost
St Mary's Lodge	- in accordance with the property
Plant and machinery	- 20% on cost

Property expenditure which goes above and beyond simple maintenance is capitalised, where the cost of the work exceeds £50,000.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Pension costs and other post-retirement benefits

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

Donated goods

Donations are recognised on entitlement. Donation of fixed assets are included in the accounts at values provided by the donor or at market value.

HOSPITAL OF THE BLESSED MARY

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

1. ACCOUNTING POLICIES - continued

Going concern

The charity have a large amount of liquid assets which can be used to support any short-term downturns in revenue and any exceptional expenditure. On this basis the Trustees believe the charity is a going concern.

2. DONATIONS AND LEGACIES

	2024	2023
	£	£
Resident's contribution	204,054	123,401
Legacies	-	22,459
Donations from visitors	<u>638</u>	<u>3,915</u>
	<u>204,692</u>	<u>149,775</u>

3. INVESTMENT INCOME

	2024	2023
	£	£
Rents received	771,792	765,065
Dividends & interest	96,401	100,634
Guest room rental	620	1,406
Deposit account interest	<u>2,458</u>	<u>3,111</u>
	<u>871,271</u>	<u>870,216</u>

4. RAISING FUNDS

Investment management costs

	2024	2023
	£	£
Property repairs	142,662	112,135
Professional charges	59,090	74,018
Insurance	5,206	5,090
Rates	5,245	362
Heat & Light	<u>6,246</u>	<u>5,969</u>
	<u>218,449</u>	<u>197,574</u>

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Grant funding of activities (see note 6) £	Support costs (see note 7) £	Totals £
Almshouses	<u>769,151</u>	<u>5,286</u>	<u>81,441</u>	<u>855,878</u>

HOSPITAL OF THE BLESSED MARY

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2024**

6. GRANTS PAYABLE

	2024	2023
	£	£
Almshouses	<u>5,286</u>	<u>1,295</u>

The total grants paid to institutions during the year was as follows:

	2024	2023
	£	£
St Richard of Chichester Christian Care Association	286	-
Chichester Heart for Homeless	5,000	100
St Peter's Church, Selsey	-	660
RNLI	-	97
Royal British Legion	-	267
Water Aid	-	76
Crisis	-	95
	<u>5,286</u>	<u>1,295</u>

7. SUPPORT COSTS

	Management	Finance	Governance costs	Totals
	£	£	£	£
Almshouses	<u>11,496</u>	<u>7,759</u>	<u>62,186</u>	<u>81,441</u>

Included in the above is £7,500 which relates to the auditors remuneration.

8. TRUSTEES' REMUNERATION AND BENEFITS

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

Trustees' expenses

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

9. STAFF COSTS

	2024	2023
	£	£
Wages and salaries	94,268	96,191
Social security costs	8,760	7,865
Other pension costs	<u>19,195</u>	<u>13,485</u>
	<u>122,223</u>	<u>117,541</u>

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

	2024	2023
Employees	<u>4</u>	<u>5</u>

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

HOSPITAL OF THE BLESSED MARY

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2024**

10. TANGIBLE FIXED ASSETS

	Freehold property £	St Mary's Lodge £	Plant and machinery £	Totals £
COST				
At 1 January 2024	5,084,834	397,725	128,800	5,611,359
Additions	<u>474,935</u>	<u>-</u>	<u>148,809</u>	<u>623,744</u>
At 31 December 2024	<u>5,559,769</u>	<u>397,725</u>	<u>277,609</u>	<u>6,235,103</u>
DEPRECIATION				
At 1 January 2024	1,141,857	238,629	13,551	1,394,037
Charge for year	<u>111,195</u>	<u>6,624</u>	<u>55,522</u>	<u>173,341</u>
At 31 December 2024	<u>1,253,052</u>	<u>245,253</u>	<u>69,073</u>	<u>1,567,378</u>
NET BOOK VALUE				
At 31 December 2024	<u>4,306,717</u>	<u>152,472</u>	<u>208,536</u>	<u>4,667,725</u>
At 31 December 2023	<u>3,942,977</u>	<u>159,096</u>	<u>115,249</u>	<u>4,217,322</u>

11. FIXED ASSET INVESTMENTS

	Listed investments £	Investment Properties £	Totals £
MARKET VALUE			
At 1 January 2024	3,604,536	18,227,500	21,832,036
Disposals	(293,183)	-	(293,183)
Revaluations	<u>75,792</u>	<u>-</u>	<u>75,792</u>
At 31 December 2024	<u>3,387,145</u>	<u>18,227,500</u>	<u>21,614,645</u>
NET BOOK VALUE			
At 31 December 2024	<u>3,387,145</u>	<u>18,227,500</u>	<u>21,614,645</u>
At 31 December 2023	<u>3,604,536</u>	<u>18,227,500</u>	<u>21,832,036</u>

There were no investment assets outside the UK.

Cost or valuation at 31 December 2024 is represented by:

	Listed investments £	Investment Properties £	Totals £
Valuation in 2024	<u>3,387,145</u>	<u>18,227,500</u>	<u>21,614,645</u>

All investment properties were subject to a formal valuation undertaken by Flude Property Consultants and Chartered Surveyors on 31 December 2021. The basis of valuation was open market value.

HOSPITAL OF THE BLESSED MARY

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2024**

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Trade debtors	61,044	56,788
Other debtors	<u>121,745</u>	<u>144,232</u>
	<u>182,789</u>	<u>201,020</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Other loans (see note 15)	767	691
Trade creditors	40,159	90,710
Rent deposits	47,631	46,342
Accruals and deferred income	<u>82,525</u>	<u>72,815</u>
	<u>171,082</u>	<u>210,558</u>

Included above is deferred income of £53,125 (2023: £53,125) which relates to rents received in advance.

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

	2024	2023
	£	£
Other loans (see note 15)	<u>64,305</u>	<u>65,072</u>

15. LOANS

An analysis of the maturity of loans is given below:

	2024	2023
	£	£
Amounts falling due within one year on demand:		
Housing corporation loan	<u>767</u>	<u>691</u>
Amounts falling between one and two years:		
Other loans - 1-2 years	<u>852</u>	<u>767</u>
Amounts falling due between two and five years:		
Other loans - 2-5 years	<u>3,163</u>	<u>2,848</u>
Amounts falling due in more than five years:		
Repayable by instalments:		
Other loans more 5yrs instal	60,290	61,457

HOSPITAL OF THE BLESSED MARY

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

16. SECURED DEBTS

The following secured debts are included within creditors:

	2024	2023
	£	£
Housing corporation loan	<u>65,072</u>	<u>65,763</u>

The loans are due to the Housing Corporation and are secured by way of a specific charges against the properties owned by the charity. The loans are repayable at varying rates of interest to a maximum of 10.75% per annum. Capital is being repaid over 60 years from 31 March 1987.

17. MOVEMENT IN FUNDS

	At 1/1/24	Net movement in funds	At 31/12/24
	£	£	£
Unrestricted funds			
General fund	26,170,850	84,245	26,255,095
TOTAL FUNDS	<u>26,170,850</u>	<u>84,245</u>	<u>26,255,095</u>

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

	Incoming resources	Resources expended	Gains and losses	Movement in funds
	£	£	£	£
Unrestricted funds				
General fund	1,075,963	(1,074,327)	82,609	84,245
TOTAL FUNDS	<u>1,075,963</u>	<u>(1,074,327)</u>	<u>82,609</u>	<u>84,245</u>

Comparatives for movement in funds

	At 1/1/23	Net movement in funds	At 31/12/23
	£	£	£
Unrestricted funds			
General fund	25,938,363	232,487	26,170,850
TOTAL FUNDS	<u>25,938,363</u>	<u>232,487</u>	<u>26,170,850</u>

HOSPITAL OF THE BLESSED MARY

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2024**

17. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	1,019,991	(1,103,191)	315,687	232,487
TOTAL FUNDS	<u>1,019,991</u>	<u>(1,103,191)</u>	<u>315,687</u>	<u>232,487</u>

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

	At 1/1/23 £	Net movement in funds £	At 31/12/24 £
Unrestricted funds			
General fund	25,938,363	316,732	26,255,095
TOTAL FUNDS	<u>25,938,363</u>	<u>316,732</u>	<u>26,255,095</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	2,095,955	(2,177,518)	398,296	316,732
TOTAL FUNDS	<u>2,095,955</u>	<u>(2,177,518)</u>	<u>398,296</u>	<u>316,732</u>

18. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2024.

19. POST BALANCE SHEET EVENTS

During 2025 a loan of £815,000 was given to Westbourne Community Trust towards the development of an affordable housing scheme to provide socially rented accommodation in Westbourne. The loan carries a term of 30 years and an interest rate of 5% on the first £750,000 and 4% on the remaining £65,000.

HOSPITAL OF THE BLESSED MARY

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2024**

20. PENSIONS

St Mary's Hospital participates in the Church of England Defined Benefits Scheme (DBS), part of the church Workers Pensions Fund, for employees who joined the staff before 31st December 2002 and the Church Workers Pension Fund Pension Builder 2014 (PB2014). At 31st December 2024, there are no active members. The assets of the fund are held separately from those of St Mary's Hospital.

The Defined Benefits scheme was the subject of a full valuation as at 31st December 2022. The fund was shown to be in surplus and payments to meet a previous deficit have now ceased.

St Marys' also participates in a Pension Builder (PB2014). Contributions to this scheme are charged to the Statement of Financial Activities as they arise.

HOSPITAL OF THE BLESSED MARY
DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2024

	2024 £	2023 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Resident's contribution	204,054	123,401
Legacies	-	22,459
Donations from visitors	<u>638</u>	<u>3,915</u>
	204,692	149,775
Investment income		
Rents received	771,792	765,065
Dividends & interest	96,401	100,634
Guest room rental	620	1,406
Deposit account interest	<u>2,458</u>	<u>3,111</u>
	871,271	870,216
Total incoming resources	1,075,963	1,019,991
EXPENDITURE		
Investment management costs		
Property repairs	142,662	112,135
Professional charges	59,090	74,018
Insurance	5,206	5,090
Rates	5,245	362
Heat & Light	<u>6,246</u>	<u>5,969</u>
	218,449	197,574
Charitable activities		
Wages	94,268	96,191
Social security	8,760	7,865
Pensions	19,195	13,485
Rates and water	21,212	32,778
Insurance	26,527	21,245
Light and heat	93,134	102,281
Sundries	12,315	38,989
Garden expenses	62,079	39,152
Repairs & maintenance	251,718	297,531
Outings & trips	6,602	12,929
Depn of St Mary's Courtyard	111,195	101,696
Depn of St Mary's Lodge	6,624	6,624
Depn of plant and machinery	55,522	13,551
Grants to institutions	<u>5,286</u>	<u>1,295</u>
	774,437	785,612
Support costs		
Management		
Telephone	11,496	35,445
Carried forward	<u>11,496</u>	<u>35,445</u>

This page does not form part of the statutory financial statements

HOSPITAL OF THE BLESSED MARY
DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2024

	2024 £	2023 £
Management		
Brought forward	11,496	35,445
Administration and financial services of Dean and Chapter of Chichester Cathedral	-	19,948
	<u>11,496</u>	55,393
Finance		
Bank charges	708	416
Loan	<u>7,051</u>	<u>7,120</u>
	7,759	7,536
Governance costs		
Auditors' remuneration	15,555	10,860
Bookkeeping	29,441	31,688
Legal and professional fees	<u>17,190</u>	<u>14,528</u>
	<u>62,186</u>	57,076
Total resources expended	<u>1,074,327</u>	<u>1,103,191</u>
Net income/(expenditure) before gains and losses	1,636	(83,200)
Realised recognised gains and losses		
Realised gains/(losses) on fixed asset investments	<u>6,817</u>	<u>5,722</u>
Net income/(expenditure)	<u>8,453</u>	<u>(77,478)</u>

This page does not form part of the statutory financial statements

THE HOSPITAL OF THE BLESSED MARY, COMMONLY CALLED ST MARY'S, HOSPITAL, CHICHESTER

England & Wales - Charity number 202631

Accounts

**Report of the Trustees and
Audited Financial Statements for the Year Ended 31st December 2023
for
Hospital of the Blessed Mary**

Sheen Stickland
Chartered Accountants
Statutory Auditors
7 East Pallant
Chichester
West Sussex
PO19 1TR

Hospital of the Blessed Mary

**Contents of the Financial Statements
for the Year Ended 31st December 2023**

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Hospital of the Blessed Mary

Report of the Trustees for the Year Ended 31st December 2023

The trustees present their report with the financial statements of the charity for the year ended 31st December 2023. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

(a) To provide Almshouses currently St Mary's Hospital, the married quarters, St Mary's Lodge, St Mary's Courtyard and the Dears Almshouses.

(b) To provide pensions for residents and other local persons of good character in need.

Constraints

(a) The first charge on the income of the Charity shall be the cost of maintaining the property.

(b) Any properties not required to be retained or occupied for the purpose of the Charity shall not be let for less than the best rent available.

Policy

It is the policy of the Trustees to assist poor persons of good character.

Public benefit

The trustees have considered the Charity Commission guidance on public benefit and consider that the objectives and activities of the Charity provide public benefit in that it provides good quality, affordable sheltered accommodation and a small measure of financial support to elderly people of limited financial means.

ACHIEVEMENT AND PERFORMANCE

2023 Review

2023 was a year of renewal for St Mary's with a change in leadership, heavy investment in the property portfolio, a reduction in our dependence on Chichester Cathedral and the introduction of more realistic weekly maintenance charges for residents.

Reverend Simon Holland returned to the board of St Mary's as Chairman following his appointment as interim Dean of Chichester Cathedral. Two further appointments were made: Howard Castle-Smith was appointed to the board by the Cathedral Chapter and Simon Dyson was appointed as an independent trustee, Simon's professional background as an ecclesiastical architect was particularly welcome.

At the end of 2022 the Cathedral Chapter gave notice that it wished to terminate the Service Level Agreement which has existed for some time between St Mary's and the Cathedral. This involved purchasing a range of professional services including property, finance, payroll, HR and communications from the Cathedral. By April most of these services had come to an end and were being covered by the in-house team or outsourced to other providers.

A major focus for attention during the year has been a programme of re-investment in both the almshouse and commercial portfolio. Significant expenditure was committed to replacing failing heating systems in several residential blocks. Other major areas of expense within the almshouses included the upgrading of the electronic door entry system and the refurbishment of the residents' lounge. Several of our commercial residential properties were also refurbished. Our commercial residential portfolio performed well; with income buoyed by increased rents as well new lettings of properties which had previously been let to staff.

A review of charges to residents led to a phased introduction of more realistic accommodation charges ('weekly maintenance contributions') for all residents. Hitherto most residents had made only a nominal contribution to the cost of their accommodation and utility bills. Increases to weekly maintenance charges will be phased so that by January 2025 all residents are paying a similar sum. The level of charges together with the level of utility costs being passed on will remain well below equivalent fair rents or charges elsewhere in the social housing sector. The increased charges will however reduce dependence on investment and commercial income to subsidise the almshouses which in turn will provide a stronger basis from which St Mary's can build on its charitable legacy.

A Christian ethos remains at the heart of St Mary's governance and operations with daily worship in the ancient Hospital Chapel. Services are led by Father Bruce Cunningham who was appointed in September 2023 following the retirement of Canon Bruce Ruddock.

Accommodation in the almshouses continues to be strong with several applicants awaiting vacancies which occur only rarely. This meant that during 2023 only one new residential appointment was possible.

FINANCIAL REVIEW

Financial position

Total incoming resources increased for the year from £873,242 to £1,019,991 primarily due to an increase in commercial income. Total expenditure increased from £915,759 to £1,103,191 as a result of increased spend on property projects, leaving an operating loss of £83,200. There were net gains on investments of £315,687. The overall balance of Hospital funds stands at £26,170,850 compared to the previous year's total of £25,938,363.

Investment Strategy

The Finance Committee for Chapter also acts as the overseeing Finance Committee for St Mary's investments. The strategy remains 100% equity, which at 31 December 2023 was invested with CCLA.

Reserves policy

The Trustees have examined the requirements for reserves in the light of the main risks to the organisation. The Trustees do not consider it necessary to have an established policy for reserves as they consider the funds generated from income producing investments is sufficient to cover operating and governance costs and access to investments can be gained at short notice.

Hospital of the Blessed Mary

Report of the Trustees for the Year Ended 31st December 2023

FUTURE PLANS

The Hospital will continue to meet its charitable objectives in the future and to ensure that all of its investment assets are maintained to the highest standard.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The foundation date of the Hospital is not known, though it reputedly came in to existence in the second half of the 12th Century. The present Hospital building dates from about 1290.

The Hospital is governed by a scheme of the Charity Commissioners dated 4th November 1898, which was revised on 17th February 1905, 13th February 1987, 8th August 1991, 2nd January 1997, 20th February 2018 and 26th June 2018. The Trustees of the Hospital and its endowment are drawn from the Chapter of Chichester Cathedral and also from other individuals with knowledge or experience relevant to an almshouse charity.

Induction and training of new trustees

Upon appointment, each new Trustee is made aware of their legal responsibilities and of their areas affecting the governance of the Fund. Regular training is provided to Trustees as required. This includes updating their knowledge and understanding regarding regulatory and legal development affecting their responsibilities as Trustees and the governance of the fund.

Internal audit

The internal audit function is undertaken by the Clerk to the Trustees on behalf of the Trustees in accordance with the Financial and Management paper. He conducts an appraisal of the following management controls:

- (a) Implementation of management policies and directives.
- (b) Safeguard of the assets and interests of the association.
- (c) Compliance with statutory and other regulatory requirements.
- (d) The reliability and integrity of financial and operating information.
- (e) Efficient, effective and economic use of resources.

With regard to financial matters, he ensures specifically that;

- (f) The two cheque signatories are provided with authorised supporting documentation at the time of signature.
- (g) A close record is maintained of rents receivable and attention drawn to any defaulters.
- (h) The performance of investments is monitored.
- (i) Delegated limits for financial expenditure are not exceeded.
- (j) Competitive tenders are sought for projects in excess of the limits authorised for single tender action and handled in accordance with best practice.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

The Charity relies on 3 main income streams to support its aims:

- 1) Residential lets
- 2) Commercial lets
- 3) Investment income

Chichester is an affluent area and the residential market is buoyant especially for quality lets such as the ones that St Mary's own.

The commercial lets are all on good tenant covenants with solid trading history, although market conditions have become more challenging in recent years.

St Mary's only hold one deposit which is the owner for Zig Zag. Only one property is an FRI lease and that is the bank. We currently insure the properties including residential.

The investment income portfolio is delegated by St Mary's to the Chapter Finance Committee who monitor outturns and recommends investment mix. The equity and bond ratio is currently 100:00 and is therefore at risk to a sudden market downturn.

Operational risk stems from staffing cover and competence and the Trustees review the staffing needs regularly. The staffing overhead is relatively low and competence is shared across functions with Chapter which reduces cost and risk.

Health and Safety risks are managed and a full review was undertaken by third party in the previous reporting period.

Hospital of the Blessed Mary

Report of the Trustees for the Year Ended 31st December 2023

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

202631

Principal address

Cathedral Office
The Royal Chantry
Cathedral Cloisters
Chichester
West Sussex
PO19 1PX

Trustees

The Very Reverend Stephen J Waine (Chairman) - resigned 31.01.23
The Reverend S Holland (Chairman) - appointed 30.04.23
The Reverend Canon M Townsend Payne - resigned 08.01.24
Mrs R Taunt
Mrs A Hayes
Mrs J Evershed-Martin
The Reverend J Dunn
Mr S Dyson - appointed 07.06.23
Mr H Castle-Smith - appointed 25.01.23

Auditors

Sheen Stickland
Chartered Accountants
Statutory Auditors
7 East Pallant
Chichester
West Sussex
PO19 1TR

Solicitors

Irwin Mitchell
Thomas Eggar House
Friary Lane
Chichester
West Sussex
PO19 1UF

Bates Wells
10 Queen Street Place
London
EC4R 1BE

Bankers

NatWest Bank Plc
5 East Street
Chichester
West Sussex
PO19 1HH

Scheme Manager

Mrs Sue Porter

Clerk to the Trustees and Administrator

Mr Ivan Western

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them 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. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on and signed on its behalf by:

.....
The Reverend Canon S Holland - Trustee

Report of the Independent Auditors to the Trustees of Hospital of the Blessed Mary

Opinion

We have audited the financial statements of Hospital of the Blessed Mary (the 'charity') for the year ended 31st December 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31st December 2023 and of its incoming resources and application of resources, 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

Matters on which we are required to report by exception

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

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; 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.

Report of the Independent Auditors to the Trustees of Hospital of the Blessed Mary

Responsibilities of trustees

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

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

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- enquiry of management, those charged with governance and the entity's solicitors around actual and potential litigation and claims;
- enquiry of entity's staff to identify any instances of non-compliance with laws and regulations;
- reviewing minutes of meetings of those charged with governance;
- reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations; and
- auditing the risk of management override of controls including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

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 Report of the Independent Auditors.

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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Sheen Stickland
Chartered Accountants
Statutory Auditors
7 East Pallant
Chichester
West Sussex
PO19 1TR

Date:

Hospital of the Blessed Mary

Statement of Financial Activities for the Year Ended 31st December 2023

		2023 Unrestricted funds £	2022 Total funds £
INCOME AND ENDOWMENTS FROM	Notes		
Donations and legacies	2	149,775	85,331
Investment income	3	870,216	787,911
Total		<u>1,019,991</u>	<u>873,242</u>
EXPENDITURE ON			
Raising funds	4	197,574	176,035
Charitable activities	5		
Almshouses		905,617	739,724
Total		<u>1,103,191</u>	<u>915,759</u>
Net gains/(losses) on investments		315,687	(451,945)
NET INCOME/(EXPENDITURE)		232,487	(494,462)
RECONCILIATION OF FUNDS			
Total funds brought forward		25,938,363	26,432,825
TOTAL FUNDS CARRIED FORWARD		<u><u>26,170,850</u></u>	<u><u>25,938,363</u></u>

The notes form part of these financial statements

Hospital of the Blessed Mary

**Balance Sheet
31st December 2023**

		2023 Unrestricted funds £	2022 Total funds £
FIXED ASSETS	Notes		
Tangible assets	10	4,217,322	3,980,680
Investments	11	21,832,036	21,616,349
		<u>26,049,358</u>	<u>25,597,029</u>
CURRENT ASSETS			
Debtors	12	201,020	280,006
Cash at bank		196,102	402,143
		<u>397,122</u>	<u>682,149</u>
CREDITORS			
Amounts falling due within one year	13	(210,558)	(275,052)
		<u>186,564</u>	<u>407,097</u>
NET CURRENT ASSETS			
		<u>26,235,922</u>	<u>26,004,126</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
CREDITORS			
Amounts falling due after more than one year	14	(65,072)	(65,763)
		<u>26,170,850</u>	<u>25,938,363</u>
NET ASSETS			
FUNDS	17		
Unrestricted funds		26,170,850	25,938,363
TOTAL FUNDS		<u>26,170,850</u>	<u>25,938,363</u>

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

.....
Reverend Canon S Holland - Trustee

Hospital of the Blessed Mary

Cash Flow Statement for the Year Ended 31st December 2023

	Notes	2023 £	2022 £
Cash flows from operating activities			
Cash generated from operations	1	(809,379)	(785,096)
Interest paid		(7,742)	(7,182)
Net cash used in operating activities		<u>(817,121)</u>	<u>(792,278)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(358,514)	(6,710)
Purchase of fixed asset investments		-	(2,321)
Sale of fixed asset investments		100,000	-
Rents received		765,065	684,070
Dividends & interest		100,634	101,330
Interest received		3,111	615
Dividends received		1,406	1,896
Net cash provided by investing activities		<u>611,702</u>	<u>778,880</u>
Cash flows from financing activities			
Loan repayments in year		(622)	(559)
Net cash used in financing activities		<u>(622)</u>	<u>(559)</u>
Change in cash and cash equivalents in the reporting period			
		(206,041)	(13,957)
Cash and cash equivalents at the beginning of the reporting period			
		<u>402,143</u>	<u>416,100</u>
Cash and cash equivalents at the end of the reporting period			
		<u><u>196,102</u></u>	<u><u>402,143</u></u>

The notes form part of these financial statements

Hospital of the Blessed Mary

Notes to the Cash Flow Statement for the Year Ended 31st December 2023

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

	2023	2022
	£	£
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	232,487	(494,462)
Adjustments for:		
Depreciation charges	121,872	103,591
(Gain)/losses on investments	(315,687)	451,945
Interest received	(3,111)	(615)
Interest paid	7,742	7,182
Dividends received	(1,406)	(1,896)
Rents received	(765,065)	(684,070)
Dividends and interest received	(100,634)	(101,330)
Decrease/(increase) in debtors	78,986	(93,436)
(Decrease)/increase in creditors	(64,563)	27,995
Net cash used in operations	<u>(809,379)</u>	<u>(785,096)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.23	Cash flow	At 31.12.23
	£	£	£
Net cash			
Cash at bank and in hand	402,143	(206,041)	196,102
	<u>402,143</u>	<u>(206,041)</u>	<u>196,102</u>
Debt			
Debts falling due within 1 year	(622)	(69)	(691)
Debts falling due after 1 year	(65,763)	691	(65,072)
	<u>(66,385)</u>	<u>622</u>	<u>(65,763)</u>
Total	<u>335,758</u>	<u>(205,419)</u>	<u>130,339</u>

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Income from investment property rents is recognised in the year in which it is receivable.

The Statement of financial activities includes the net gains and losses arising on revaluations and disposals of investment assets throughout the year.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 2% on cost
St Mary's Lodge	- in accordance with the lease
Plant and machinery	- 20% on cost

Property expenditure which goes above and beyond simple maintenance is capitalised, where the cost of the work exceeds £50,000.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Pension costs and other post-retirement benefits

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

1. ACCOUNTING POLICIES - continued

Donated goods

Donations are recognised on entitlement. Donation of fixed assets are included in the accounts at values provided by the donor or at market value.

Going concern

The charity have a large amount of liquid assets which can be used to support any short-term downturns in revenue and any exceptional expenditure. On this basis the Trustees believe the charity is a going concern.

2. DONATIONS AND LEGACIES

	2023	2022
	£	£
Resident's contribution	123,401	83,407
Legacies	22,459	-
Donations from visitors	3,915	1,924
	<u>149,775</u>	<u>85,331</u>

3. INVESTMENT INCOME

	2023	2022
	£	£
Rents received	765,065	684,070
Dividends & interest	100,634	101,330
Guest room rental	1,406	1,896
Deposit account interest	3,111	615
	<u>870,216</u>	<u>787,911</u>

4. RAISING FUNDS

Investment management costs

	2023	2022
	£	£
Property repairs	112,135	98,305
Professional charges	74,018	67,158
Insurance	5,090	4,604
Rates	362	2,791
Heat & Light	5,969	3,177
	<u>197,574</u>	<u>176,035</u>

Notes to the Financial Statements - continued
for the Year Ended 31st December 2023

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Grant funding of activities (see note 6) £	Support costs (see note 7) £	Totals £
Almshouses	784,317	1,295	120,005	905,617

6. GRANTS PAYABLE

	2023 £	2022 £
Almshouses	1,295	42,431

The total grants paid to institutions during the year was as follows:

	2023 £	2022 £
St Richard of Chichester Christian Care Association	-	30,000
Chichester Heart for Homeless	100	12,000
St Wilfrid's Hospice	-	100
ST Barnabas Hospice	-	155
St Richard's Hospital	-	176
St Peter's Church, Selsey	660	-
RNLI	97	-
Royal British Legion	267	-
Water Aid	76	-
Crisis	95	-
	<u>1,295</u>	<u>42,431</u>

7. SUPPORT COSTS

	Management £	Finance £	Governance costs £	Totals £
Almshouses	55,393	7,536	57,076	120,005

Included in the above is £10,860 which relates to the auditors remuneration.

8. TRUSTEES' REMUNERATION AND BENEFITS

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

Trustees' expenses

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

Notes to the Financial Statements - continued
for the Year Ended 31st December 2023

9. STAFF COSTS

	2023	2022
	£	£
Wages and salaries	96,191	118,106
Social security costs	7,865	6,764
Other pension costs	13,485	16,986
	<u>117,541</u>	<u>141,856</u>

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

	2023	2022
Employees	<u>5</u>	<u>4</u>

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

10. TANGIBLE FIXED ASSETS

	Freehold property £	St Mary's Lodge £	Plant and machinery £	Totals £
COST				
At 1st January 2023	4,848,410	397,725	6,710	5,252,845
Additions	236,424	-	122,090	358,514
	<u>5,084,834</u>	<u>397,725</u>	<u>128,800</u>	<u>5,611,359</u>
At 31st December 2023	5,084,834	397,725	128,800	5,611,359
DEPRECIATION				
At 1st January 2023	1,040,160	232,005	-	1,272,165
Charge for year	101,697	6,624	13,551	121,872
	<u>1,141,857</u>	<u>238,629</u>	<u>13,551</u>	<u>1,394,037</u>
At 31st December 2023	1,141,857	238,629	13,551	1,394,037
NET BOOK VALUE				
At 31st December 2023	<u>3,942,977</u>	<u>159,096</u>	<u>115,249</u>	<u>4,217,322</u>
At 31st December 2022	<u>3,808,250</u>	<u>165,720</u>	<u>6,710</u>	<u>3,980,680</u>

11. FIXED ASSET INVESTMENTS

	Listed investments £	Investment Properties £	Totals £
MARKET VALUE			
At 1st January 2023	3,388,849	18,227,500	21,616,349
Disposals	(94,278)	-	(94,278)
Revaluations	309,965	-	309,965
	<u>3,604,536</u>	<u>18,227,500</u>	<u>21,832,036</u>
At 31st December 2023	3,604,536	18,227,500	21,832,036
NET BOOK VALUE			
At 31st December 2023	<u>3,604,536</u>	<u>18,227,500</u>	<u>21,832,036</u>
At 31st December 2022	<u>3,388,849</u>	<u>18,227,500</u>	<u>21,616,349</u>

Notes to the Financial Statements - continued
for the Year Ended 31st December 2023

11. FIXED ASSET INVESTMENTS - continued

There were no investment assets outside the UK.

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

	Listed investments £	Investment Properties £	Totals £
Valuation in 2023	3,604,536	18,227,500	21,832,036

All investment properties were subject to a formal valuation undertaken by Flude Property Consultants and Chartered Surveyors on 31 December 2021. The basis of valuation was open market value.

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Trade debtors	56,788	45,008
Other debtors	144,232	234,998
	<u>201,020</u>	<u>280,006</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Other loans (see note 15)	691	622
Trade creditors	90,710	40,871
Social security and other taxes	-	1,624
Other creditors	-	45,876
Rent deposits	46,342	77,821
Accruals and deferred income	72,815	108,238
	<u>210,558</u>	<u>275,052</u>

Included above is deferred income of £53,125 (2022: £61,033) which relates to rents received in advance.

Notes to the Financial Statements - continued
for the Year Ended 31st December 2023

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

	2023	2022
	£	£
Other loans (see note 15)	65,072	65,763
	<u>65,072</u>	<u>65,763</u>

15. LOANS

An analysis of the maturity of loans is given below:

	2023	2022
	£	£
Amounts falling due within one year on demand:		
Housing corporation loan	691	622
	<u>691</u>	<u>622</u>
Amounts falling between one and two years:		
Other loans - 1-2 years	767	691
	<u>767</u>	<u>691</u>
Amounts falling due between two and five years:		
Other loans - 2-5 years	2,848	2,565
	<u>2,848</u>	<u>2,565</u>
Amounts falling due in more than five years:		
Repayable by instalments:		
Other loans more 5yrs instal	61,457	62,507

16. SECURED DEBTS

The following secured debts are included within creditors:

	2023	2022
	£	£
Housing corporation loan	65,763	66,385
	<u>65,763</u>	<u>66,385</u>

The loans are due to the Housing Corporation and are secured by way of a specific charges against the properties owned by the charity. The loans are repayable at varying rates of interest to a maximum of 10.75% per annum. Capital is being repaid over 60 years from 31 March 1987.

17. MOVEMENT IN FUNDS

	At 1.1.23	Net movement in funds	At 31.12.23
	£	£	£
Unrestricted funds			
General fund	25,938,363	232,487	26,170,850
	<u>25,938,363</u>	<u>232,487</u>	<u>26,170,850</u>
TOTAL FUNDS	<u>25,938,363</u>	<u>232,487</u>	<u>26,170,850</u>

Notes to the Financial Statements - continued
for the Year Ended 31st December 2023

17. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	1,019,991	(1,103,191)	315,687	232,487
TOTAL FUNDS	<u>1,019,991</u>	<u>(1,103,191)</u>	<u>315,687</u>	<u>232,487</u>

Comparatives for movement in funds

	At 1.1.22 £	Net movement in funds £	Transfers between funds £	At 31.12.22 £
Unrestricted funds				
General fund	26,182,825	(494,462)	250,000	25,938,363
Extraordinary repair fund - designated	250,000	-	(250,000)	-
	<u>26,432,825</u>	<u>(494,462)</u>	<u>-</u>	<u>25,938,363</u>
TOTAL FUNDS	<u>26,432,825</u>	<u>(494,462)</u>	<u>-</u>	<u>25,938,363</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	873,242	(915,759)	(451,945)	(494,462)
TOTAL FUNDS	<u>873,242</u>	<u>(915,759)</u>	<u>(451,945)</u>	<u>(494,462)</u>

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

	At 1.1.22 £	Net movement in funds £	Transfers between funds £	At 31.12.23 £
Unrestricted funds				
General fund	26,182,825	(261,975)	250,000	26,170,850
Extraordinary repair fund - designated	250,000	-	(250,000)	-
	<u>26,432,825</u>	<u>(261,975)</u>	<u>-</u>	<u>26,170,850</u>
TOTAL FUNDS	<u>26,432,825</u>	<u>(261,975)</u>	<u>-</u>	<u>26,170,850</u>

Hospital of the Blessed Mary

Notes to the Financial Statements - continued for the Year Ended 31st December 2023

17. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	1,893,233	(2,018,950)	(136,258)	(261,975)
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>1,893,233</u>	<u>(2,018,950)</u>	<u>(136,258)</u>	<u>(261,975)</u>

18. RELATED PARTY DISCLOSURES

The Chapter of Chichester Cathedral is deemed to be a related party given that a number of Trustees of the Hospital of the Blessed Mary are members of the Chapter of Chichester Cathedral. Members of the finance team of the Chapter of Chichester Cathedral carry out bookkeeping of the Hospital of the Blessed Mary, for which an administration fee is charged. During the year, £25,609 (2022: £104,775) was charged by the Chapter of Chichester Cathedral to the Hospital of the Blessed Mary by way of this administration fee.

The agreement to provide administration and finance services to the charity ceased during the year.

19. PENSIONS

St Mary's Hospital participates in the Church of England Defined Benefits Scheme (DBS), part of the church Workers Pensions Fund, for employees who joined the staff before 31st December 2002 and the Church Workers Pension Fund Pension Builder 2014 (PB2014). At 31st December 2023 there are no active members. The assets of the fund are held separately from those of St Mary's Hospital.

The Defined Benefits scheme was the subject of a full valuation as at 31st December 2022. The fund was shown to be in surplus and payments to meet a previous deficit have now ceased.

St Marys' also participates in a Pension Builder (PB2014). Contributions to this scheme are charged to the Statement of Financial Activities as they arise.

Hospital of the Blessed Mary

Detailed Statement of Financial Activities for the Year Ended 31st December 2023

	2023 £	2022 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Resident's contribution	123,401	83,407
Legacies	22,459	-
Donations from visitors	3,915	1,924
	<u>149,775</u>	<u>85,331</u>
Investment income		
Rents received	765,065	684,070
Dividends & interest	100,634	101,330
Guest room rental	1,406	1,896
Deposit account interest	3,111	615
	<u>870,216</u>	<u>787,911</u>
Total incoming resources	1,019,991	873,242
EXPENDITURE		
Investment management costs		
Property repairs	112,135	98,305
Professional charges	74,018	67,158
Insurance	5,090	4,604
Rates	362	2,791
Heat & Light	5,969	3,177
	<u>197,574</u>	<u>176,035</u>
Charitable activities		
Wages	96,191	118,106
Social security	7,865	6,764
Pensions	13,485	16,986
Rates and water	32,778	24,681
Insurance	21,245	18,982
Light and heat	102,281	71,017
Sundries	38,989	24,126
Garden expenses	39,152	23,531
Repairs & maintenance	297,531	76,976
Outings & trips	12,929	10,170
Depn of St Mary's Courtyard	101,696	96,968
Depn of St Mary's Lodge	6,624	6,624
Plant and machinery	13,551	-
Grants to institutions	1,295	42,431
	<u>785,612</u>	<u>537,362</u>

This page does not form part of the statutory financial statements

Hospital of the Blessed Mary

Detailed Statement of Financial Activities for the Year Ended 31st December 2023

	2023 £	2022 £
Support costs		
Management		
Telephone	35,445	38,572
Administration and financial services of Dean and Chapter of Chichester Cathedral	19,948	96,783
	<u>55,393</u>	<u>135,355</u>
Finance		
Bank charges	416	396
Loan	7,120	7,182
	<u>7,536</u>	<u>7,578</u>
Governance costs		
Auditors' remuneration	10,860	10,580
Bookkeeping	31,688	28,800
Legal and professional fees	14,528	20,049
	<u>57,076</u>	<u>59,429</u>
Total resources expended	<u>1,103,191</u>	<u>915,759</u>
Net expenditure before gains and losses	(83,200)	(42,517)
Realised recognised gains and losses		
Realised gains/(losses) on fixed asset investments	5,722	-
Net expenditure	<u>(77,478)</u>	<u>(42,517)</u>

This page does not form part of the statutory financial statements

THE HOSPITAL OF THE BLESSED MARY, COMMONLY CALLED ST MARY'S, HOSPITAL, CHICHESTER

England & Wales - Charity number 202631

Accounts

**Report of the Trustees and
Audited Financial Statements for the Year Ended 31st December 2022
for
Hospital of the Blessed Mary**

Sheen Stickland
Chartered Accountants
Statutory Auditors
7 East Pallant
Chichester
West Sussex
PO19 1TR

Hospital of the Blessed Mary

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for the Year Ended 31st December 2022**

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Hospital of the Blessed Mary

Report of the Trustees for the Year Ended 31st December 2022

The trustees present their report with the financial statements of the charity for the year ended 31st December 2022. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

(a) To provide Almshouses currently St Mary's Hospital, the married quarters, St Mary's Lodge, St Mary's Courtyard and the Dears Almshouses.

(b) To provide pensions for residents and other local persons of good character in need.

Constraints

(a) The first charge on the income of the Charity shall be the cost of maintaining the property.

(b) Any properties not required to be retained or occupied for the purpose of the Charity shall not be let for less than the best rent available.

Policy

It is the policy of the Trustees to assist poor persons of good character.

Public benefit

The trustees have considered the Charity Commission guidance on public benefit and consider that the objectives and activities of the Charity provide public benefit in that it provides good quality, affordable sheltered accommodation and a small measure of financial support to elderly people of limited financial means.

ACHIEVEMENT AND PERFORMANCE

2022 Review

2022 has been a year of transition for St Mary's. A major staff restructure took place which saw the departure of several long-standing members of staff and the appointment of a new Scheme Manager. Linked to this, an electronic monitoring system has been introduced providing residents with 24/7 access to a remote call centre. In the latter part of the year further significant changes took place in the leadership and governance of the charity which will result in St Mary's becoming less dependent on services provided by Chichester Cathedral.

The creation of a new post of Scheme Manager and Deputy Clerk, marks a shift away from the employment of scheme based 'warden' roles and mirrors changes which have taken place in the sheltered housing sector over the past 20 years. Following a competitive recruitment process, Sue Porter was appointed to this role from 1st September 2022. Mrs Porter has brought a wealth of experience from senior roles within the retirement housing and registered care sectors. She now has day to day responsibility for the management of the Almshouses and the welfare of residents.

On taking up her post, the Scheme Manager reviewed all areas of building management, health and safety, finding some areas where best practice and regulatory responsibilities needed to be strengthened and improved. These were completed to the standards required by the regulatory bodies involved, including West Sussex Fire and Rescue Service in November. Subsequently, an extensive programme of cyclical maintenance and replacement of infrastructure was initiated, some of which had been delayed or overlooked during the pandemic. Several major projects were scheduled in 2022 and will continue well into 2023 in tandem with the refurbishment of Almshouse and market rent properties which have become vacant.

Significant changes also took place in relation to St Mary's leadership and governance. The chairmanship of the Trustees' Board and two of its appointees are provided by the Cathedral Chapter. The Cathedral's Dean and Chair of Trustees, Stephen Waine, was absent from work on health grounds during the Autumn and left the Cathedral's service in January 2023. This left only one Cathedral Chapter trustee on St Mary's board at the end of the year. Bishop Graeme Knowles was appointed as Acting Dean in January 2023 and he took over the Chairmanship of St Mary's pending a further appointment of Reverend Canon Simon Holland who took up the role of Interim Dean (and thus Chair of St Mary's Trustees) in April 2023.

David Coulthard, who acted as Clerk to the Trustees of St Mary's, left his substantive post of Cathedral Communitarian in July 2022. Subsequently, the Cathedral Chapter served notice to end the Service Level Agreement (SLA) through which the Cathedral provides a range of professional services to St Mary's including the role of Clerk to the Trustees. The SLA will formally come to an end in December 2023, although by April 2023 most of these services were either being provided 'in house' or sourced from other providers.

Following the departure of Mr Coulthard, the role of Clerk was filled by Ivan Western; a trustee acting in a voluntary capacity. Mr Western subsequently resigned as a trustee on 31st December 2022 and took up the role of interim clerk on a part time, paid basis in January 2023.

FINANCIAL REVIEW

Financial position

Total incoming resources decreased for the year from £905,818 to £873,242 primarily due to a decrease in commercial income. Total expenditure increased from £786,380 to £915,759 as a result of increased spend on property projects, leaving an operating loss of £42,317. There was net losses on investments of £451,945. The overall balance of Hospital funds stands at £25,938,363 compared to the previous year's total of £26,432,825.

Investment Strategy

During the year the Finance Committee for Chapter acted in an oversight capacity for St Mary's investments. This arrangement ceased at the end of 2022. The strategy remains 100% equity, which at 31 December 2022 was invested with CCLA.

Reserves policy

The Trustees have examined the requirements for reserves in the light of the main risks to the organisation. The Trustees do not consider it necessary to have an established policy for reserves as they consider the funds generated from income producing investments is sufficient to cover operating and governance costs and access to investments can be gained at short notice.

Hospital of the Blessed Mary

Report of the Trustees for the Year Ended 31st December 2022

FUTURE PLANS

The Hospital will continue to meet its charitable objectives in the future and to ensure that all of its investment assets are maintained to the highest standard.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The foundation date of the Hospital is not known, though it reputedly came in to existence in the second half of the 12th Century. The present Hospital building dates from about 1290.

The Hospital is governed by a scheme of the Charity Commissioners dated 4th November 1898, which was revised on 17th February 1905, 13th February 1987, 8th August 1991, 2nd January 1997, 20th February 2018 and 26th June 2018. The Trustees of the Hospital and its endowment are drawn from the Chapter of Chichester Cathedral and also from other individuals with knowledge or experience relevant to an almshouse charity.

Induction and training of new trustees

Upon appointment, each new Trustee is made aware of their legal responsibilities and of their areas affecting the governance of the Fund. Regular training is provided to Trustees as required. This includes updating their knowledge and understanding regarding regulatory and legal development affecting their responsibilities as Trustees and the governance of the fund.

Clerk to the Trustees

The Clerk to the Trustees acts on behalf of the Trustees and oversees the following:-

- (a) The implementation of management policies and directives.
- (b) Safeguarding of the assets and interests of the association.
- (c) Compliance with statutory and other regulatory requirements.
- (d) The reliability and integrity of financial and operating information.
- (e) The efficient, effective and economic use of resources.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

The Charity relies on 3 main income streams to support its aims:

- 1) Residential lets
- 2) Commercial lets
- 3) Investment income

Chichester is an affluent area and the residential market is buoyant especially for quality lets such as the ones that St Mary's own.

The commercial lets are all on good tenant covenants with solid trading history, although market conditions have become more challenging in recent years.

St Mary's only hold one deposit which is the owner for Zig Zag. Only one property is an FRI lease and that is the bank. We currently insure the properties including residential.

The investment income portfolio is delegated by St Mary's to the Chapter Finance Committee who monitor outturns and recommends investment mix. The equity and bond ratio is currently 100:00 and is therefore at risk to a sudden market downturn.

Operational risk stems from staffing cover and competence and the Trustees review the staffing needs regularly. The staffing overhead is relatively low and competence is shared across functions with Chapter which reduces cost and risk.

Health and Safety risks are managed and a full review was undertaken by third party in the previous reporting period.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

202631

Principal address

Cathedral Office
The Royal Chantry
Cathedral Cloisters
Chichester
West Sussex
PO19 1PX

Trustees

The Very Reverend Stephen J Waine (Chairman) – resigned 31.01.23
The Reverend S Holland (Chairman) – appointed 30.04.23
The Reverend Canon M Townsend Payne
Mrs R Taunt
Mrs A Hayes
Mr I Western – resigned 31.12.22
Mrs J Evershed-Martin
The Reverend J Dunn – appointed 16.03.22
Mr S Dyson -- appointed 07.06.22
Mr H Castle-Smith – appointed 25.01.23

Auditors

Sheen Stickland
Chartered Accountants
Statutory Auditors
7 East Pallant
Chichester
West Sussex
PO19 1TR

Solicitors

Bates Wells
10 Queen Street Place
London
EC4R 1BE

Bankers

NatWest Bank Plc
5 East Street
Chichester
West Sussex
PO19 1HH

Custos

The Reverend B Ruddock

Scheme Manager

Mrs Sue Porter

Clerk to the Trustees and Administrator

Mr Ivan Western

STATEMENT OF TRUSTEES' RESPONSIBILITIES

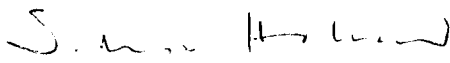
The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them 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. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on18/12/22..... and signed on its behalf by:



.....
The Reverend S Holland - Trustee

Opinion

We have audited the financial statements of Hospital of the Blessed Mary (the 'charity') for the year ended 31st December 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31st December 2022 and of its incoming resources and application of resources, 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

Matters on which we are required to report by exception

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

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; 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.

Report of the Independent Auditors to the Trustees of Hospital of the Blessed Mary

Responsibilities of trustees

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

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

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- enquiry of management, those charged with governance and the entity's solicitors around actual and potential litigation and claims;
- enquiry of entity's staff to identify any instances of non-compliance with laws and regulations;
- reviewing minutes of meetings of those charged with governance;
- reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations; and
- auditing the risk of management override of controls including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

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 Report of the Independent Auditors.

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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Sheen Stickland

Sheen Stickland
Chartered Accountants
Statutory Auditors
7 East Pallant
Chichester
West Sussex
PO19 1TR

Date: 18/12/23.....

Hospital of the Blessed Mary

Statement of Financial Activities
for the Year Ended 31st December 2022

		2022 Unrestricted funds £	2021 Total funds £
INCOME AND ENDOWMENTS FROM	Notes		
Donations and legacies	2	85,331	64,875
Investment income	3	<u>787,911</u>	<u>840,943</u>
Total		<u>873,242</u>	<u>905,818</u>
EXPENDITURE ON			
Raising funds	4	176,035	128,448
Charitable activities	5	739,724	657,932
Almshouses			
Total		<u>915,759</u>	<u>786,380</u>
Net gains/(losses) on investments		<u>(451,945)</u>	<u>583,632</u>
NET INCOME/(EXPENDITURE)		(494,462)	703,070
RECONCILIATION OF FUNDS			
Total funds brought forward		26,432,825	25,729,755
TOTAL FUNDS CARRIED FORWARD		<u>25,938,363</u>	<u>26,432,825</u>

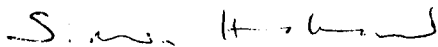
The notes form part of these financial statements

Hospital of the Blessed Mary

Balance Sheet
31st December 2022

	Notes	2022 Unrestricted funds £	2021 Total funds £
FIXED ASSETS			
Tangible assets	10	3,980,680	4,077,562
Investments	11	<u>21,616,349</u>	<u>22,065,973</u>
		25,597,029	26,143,535
CURRENT ASSETS			
Debtors	12	280,006	186,570
Cash at bank and in hand		<u>402,143</u>	<u>416,100</u>
		682,149	602,670
CREDITORS			
Amounts falling due within one year	13	(275,052)	(246,995)
NET CURRENT ASSETS			
		<u>407,097</u>	<u>355,675</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		26,004,126	26,499,210
CREDITORS			
Amounts falling due after more than one year	14	(65,763)	(66,385)
NET ASSETS			
		<u>25,938,363</u>	<u>26,432,825</u>
FUNDS			
Unrestricted funds	17	<u>25,938,363</u>	<u>26,432,825</u>
TOTAL FUNDS			
		<u>25,938,363</u>	<u>26,432,825</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 18/12/22 and were signed on its behalf by:



The Reverend S Holland - Trustee

Hospital of the Blessed Mary**Cash Flow Statement
for the Year Ended 31st December 2022**

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	1	(785,095)	(695,277)
Interest paid		<u>(7,182)</u>	<u>(7,238)</u>
Net cash used in operating activities		<u>(792,277)</u>	<u>(702,515)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(6,710)	-
Purchase of fixed asset investments		(2,322)	(3,604,261)
Sale of fixed asset investments		-	3,543,578
Rents received		684,070	689,496
Dividends & interest		101,330	150,998
Interest received		615	34
Dividends received		<u>1,896</u>	<u>415</u>
Net cash provided by investing activities		<u>778,879</u>	<u>780,260</u>
Cash flows from financing activities			
Loan repayments in year		<u>(559)</u>	<u>(506)</u>
Net cash used in financing activities		<u>(559)</u>	<u>(506)</u>
Change in cash and cash equivalents in the reporting period		<u>(13,957)</u>	<u>77,239</u>
Cash and cash equivalents at the beginning of the reporting period		<u>416,100</u>	<u>338,861</u>
Cash and cash equivalents at the end of the reporting period		<u><u>402,143</u></u>	<u><u>416,100</u></u>

The notes form part of these financial statements

Hospital of the Blessed Mary

Notes to the Cash Flow Statement
for the Year Ended 31st December 2022

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

	2022 £	2021 £
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(494,462)	703,070
Adjustments for:		
Depreciation charges	103,592	103,592
Losses/(gain) on investments	451,945	(583,632)
Interest received	(615)	(34)
Interest paid	7,182	7,238
Dividends received	(1,896)	(415)
Rents received	(684,070)	(689,496)
Dividends and interest received	(101,330)	(150,998)
Increase in debtors	(93,436)	(73,347)
Increase/(decrease) in creditors	<u>27,995</u>	<u>(11,255)</u>
Net cash used in operations	<u>(785,095)</u>	<u>(695,277)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.22 £	Cash flow £	At 31.12.22 £
Net cash			
Cash at bank and in hand	<u>416,100</u>	<u>(13,957)</u>	<u>402,143</u>
	<u>416,100</u>	<u>(13,957)</u>	<u>402,143</u>
Debt			
Debts falling due within 1 year	(560)	(62)	(622)
Debts falling due after 1 year	<u>(66,385)</u>	<u>622</u>	<u>(65,763)</u>
	<u>(66,945)</u>	<u>560</u>	<u>(66,385)</u>
Total	<u>349,155</u>	<u>(13,397)</u>	<u>335,758</u>

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Income from investment property rents is recognised in the year in which it is receivable.

The Statement of financial activities includes the net gains and losses arising on revaluations and disposals of investment assets throughout the year.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 2% on cost
St Mary's Lodge	- in accordance with the lease

Property expenditure which goes above and beyond simple maintenance is capitalised, where the cost of the work exceeds £50,000.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Pension costs and other post-retirement benefits

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

1. ACCOUNTING POLICIES - continued

Donated goods

Donations are recognised on entitlement. Donation of fixed assets are included in the accounts at values provided by the donor or at market value.

Going concern

The charity have a large amount of liquid assets which can be used to support any short-term downturns in revenue and any exceptional expenditure. On this basis the Trustees believe the charity is a going concern.

2. DONATIONS AND LEGACIES

	2022	2021
	£	£
Resident's contribution	83,407	62,033
Donations from visitors	<u>1,924</u>	<u>2,842</u>
	<u>85,331</u>	<u>64,875</u>

3. INVESTMENT INCOME

	2022	2021
	£	£
Rents received	684,070	689,496
Dividends & interest	101,330	150,998
Guest room rental	1,896	415
Deposit account interest	<u>615</u>	<u>34</u>
	<u>787,911</u>	<u>840,943</u>

4. RAISING FUNDS

Investment management costs

	2022	2021
	£	£
Property repairs	98,305	69,850
Professional charges	67,158	50,761
Insurance	4,604	4,174
Rates	2,791	-
Heat & Light	<u>3,177</u>	<u>3,663</u>
	<u>176,035</u>	<u>128,448</u>

Notes to the Financial Statements - continued
for the Year Ended 31st December 2022

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Grant funding of activities (see note 6) £	Support costs (see note 7) £	Totals £
Almshouses	<u>494,931</u>	<u>42,431</u>	<u>206,862</u>	<u>744,224</u>

6. GRANTS PAYABLE

	2022 £	2021 £
Almshouses	<u>42,431</u>	<u>25,000</u>

The total grants paid to institutions during the year was as follows:

	2022 £	2021 £
St Richards of Chichester Christian Care Association	30,000	25,000
Chichester Heart for Homeless	12,000	-
St Wilfrid's Hospice	100	-
ST Barnabas Hospice	155	-
St Richard's Hospital	<u>176</u>	<u>-</u>
	<u>42,431</u>	<u>25,000</u>

7. SUPPORT COSTS

	Management £	Finance £	Governance costs £	Totals £
Almshouses	<u>135,355</u>	<u>7,578</u>	<u>63,929</u>	<u>206,862</u>
	<u>135,355</u>	<u>7,578</u>	<u>59,429</u>	<u>202,362</u>

Included in the above is £10,580 which relates to the auditors remuneration.

8. TRUSTEES' REMUNERATION AND BENEFITS

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

Trustees' expenses

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

Notes to the Financial Statements - continued
for the Year Ended 31st December 2022

9. STAFF COSTS

	2022	2021
	£	£
Wages and salaries	118,106	112,869
Social security costs	6,764	9,758
Other pension costs	16,986	22,632
	<u>141,856</u>	<u>145,259</u>

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

2022	2021
4	5

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

10. TANGIBLE FIXED ASSETS

	Freehold property £	St Mary's Lodge £	Plant and machinery £	Totals £
COST				
At 1st January 2022	4,848,410	397,725	-	5,246,135
Additions	-	-	6,710	6,710
At 31st December 2022	<u>4,848,410</u>	<u>397,725</u>	<u>6,710</u>	<u>5,252,845</u>
DEPRECIATION				
At 1st January 2022	943,192	225,381	-	1,168,573
Charge for year	96,968	6,624	-	103,592
At 31st December 2022	<u>1,040,160</u>	<u>232,005</u>	<u>-</u>	<u>1,272,165</u>
NET BOOK VALUE				
At 31st December 2022	<u>3,808,250</u>	<u>165,720</u>	<u>6,710</u>	<u>3,980,680</u>
At 31st December 2021	<u>3,905,218</u>	<u>172,344</u>	<u>-</u>	<u>4,077,562</u>

11. FIXED ASSET INVESTMENTS

	Listed investments £	Investment Properties £	Totals £
MARKET VALUE			
At 1st January 2022	3,838,473	18,227,500	22,065,973
Additions	2,322	-	2,322
Revaluations	(451,946)	-	(451,946)
At 31st December 2022	<u>3,388,849</u>	<u>18,227,500</u>	<u>21,616,349</u>
NET BOOK VALUE			
At 31st December 2022	<u>3,388,849</u>	<u>18,227,500</u>	<u>21,616,349</u>
At 31st December 2021	<u>3,838,473</u>	<u>18,227,500</u>	<u>22,065,973</u>

There were no investment assets outside the UK.

Notes to the Financial Statements - continued
for the Year Ended 31st December 2022**11. FIXED ASSET INVESTMENTS - continued**

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

	Listed investments £	Investment Properties £	Totals £
Valuation in 2022	<u>3,388,849</u>	<u>18,227,500</u>	<u>21,616,349</u>

All investment properties were subject to a formal valuation undertaken by Flude Property Consultants and Chartered Surveyors on 31 December 2021. The basis of valuation was open market value.

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade debtors	45,008	49,596
Other debtors	<u>234,998</u>	<u>136,974</u>
	<u>280,006</u>	<u>186,570</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Other loans (see note 15)	622	560
Trade creditors	40,871	31,727
Social security and other taxes	1,624	2,634
Other creditors	45,876	-
Rent deposits	77,821	74,312
Accruals and deferred income	<u>108,238</u>	<u>137,762</u>
	<u>275,052</u>	<u>246,995</u>

Included above is deferred income of £61,033 (2021: £70,847) which relates to rents received in advance.

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

	2022 £	2021 £
Other loans (see note 15)	<u>65,763</u>	<u>66,385</u>

Notes to the Financial Statements - continued
for the Year Ended 31st December 2022**15. LOANS**

An analysis of the maturity of loans is given below:

	2022 £	2021 £
Amounts falling due within one year on demand:		
Housing corporation loan	<u>622</u>	<u>560</u>
Amounts falling between one and two years:		
Other loans - 1-2 years	<u>691</u>	<u>622</u>
Amounts falling due between two and five years:		
Other loans - 2-5 years	<u>2,565</u>	<u>2,310</u>
Amounts falling due in more than five years:		
Repayable by instalments:		
Other loans more 5yrs instal	62,507	63,453

16. SECURED DEBTS

The following secured debts are included within creditors:

	2022 £	2021 £
Housing corporation loan	<u>66,385</u>	<u>66,945</u>

The loans are due to the Housing Corporation and are secured by way of a specific charges against the properties owned by the charity. The loans are repayable at varying rates of interest to a maximum of 10.75% per annum. Capital is being repaid over 60 years from 31 March 1987.

17. MOVEMENT IN FUNDS

	At 1.1.22 £	Net movement in funds £	Transfers between funds £	At 31.12.22 £
Unrestricted funds				
General fund	26,182,825	(494,462)	250,000	25,938,363
Extraordinary repair fund - designated	<u>250,000</u>	-	<u>(250,000)</u>	-
	<u>26,432,825</u>	<u>(494,462)</u>	-	<u>25,938,363</u>
TOTAL FUNDS	<u>26,432,825</u>	<u>(494,462)</u>	-	<u>25,938,363</u>

Notes to the Financial Statements - continued
for the Year Ended 31st December 2022

17. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	873,242	(915,759)	(451,945)	(494,462)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>873,242</u>	<u>(915,759)</u>	<u>(451,945)</u>	<u>(494,462)</u>

Comparatives for movement in funds

	At 1.1.21 £	Net movement in funds £	At 31.12.21 £
Unrestricted funds			
General fund	25,479,755	703,070	26,182,825
Extraordinary repair fund - designated	250,000	-	250,000
	<u>25,729,755</u>	<u>703,070</u>	<u>26,432,825</u>
TOTAL FUNDS	<u>25,729,755</u>	<u>703,070</u>	<u>26,432,825</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	905,818	(786,380)	583,632	703,070
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>905,818</u>	<u>(786,380)</u>	<u>583,632</u>	<u>703,070</u>

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

	At 1.1.21 £	Net movement in funds £	Transfers between funds £	At 31.12.22 £
Unrestricted funds				
General fund	25,479,755	208,608	250,000	25,938,363
Extraordinary repair fund - designated	250,000	-	(250,000)	-
	<u>25,729,755</u>	<u>208,608</u>	<u>-</u>	<u>25,938,363</u>
TOTAL FUNDS	<u>25,729,755</u>	<u>208,608</u>	<u>-</u>	<u>25,938,363</u>

Hospital of the Blessed Mary

Notes to the Financial Statements - continued for the Year Ended 31st December 2022

17. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	1,779,060	(1,702,139)	131,687	208,608
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>1,779,060</u>	<u>(1,702,139)</u>	<u>131,687</u>	<u>208,608</u>

The Trustees have agreed that the Extraordinary Repair fund is no longer required. The balance of £250,000 has been transferred to the general fund as at 31 December 2022.

18. RELATED PARTY DISCLOSURES

The Chapter of Chichester Cathedral is deemed to be a related party given that a number of Trustees of the Hospital of the Blessed Mary are members of the Chapter of Chichester Cathedral. During the year a service agreement was in place covering various administration matters undertaken by Chapter on behalf of the charity. Administration fees amounting to £104,775 (2021: £138,185) was charged by the Chapter of Chichester Cathedral to the charity in respect of these services. By mutual agreement the contract is coming to an end during 2023.

19. PENSIONS

St Mary's Hospital participates in the Church of England Defined Benefits Scheme (DBS), part of the church Workers Pensions Fund, for employees who joined the staff before 31st December 2002 and the Church Workers Pension Fund Pension Builder 2014 (PB2014). At 31st December 2021 St Mary's had 4 active members in the Fund. The assets of the fund are held separately from those of St Mary's Hospital.

The Defined Benefits scheme was the subject of a full valuation as at 31st December 2019. The fund was shown to be in deficit. The total deficit was assessed to be £17,800, which is included within other creditors, less repayments made to date.

St Marys' also participates in a Pension Builder (PB2014). Contributions to this scheme are charged to the Statement of Financial Activities as they arise.

Hospital of the Blessed Mary**Detailed Statement of Financial Activities
for the Year Ended 31st December 2022**

	2022 £	2021 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Resident's contribution	83,407	62,033
Donations from visitors	<u>1,924</u>	<u>2,842</u>
	85,331	64,875
Investment income		
Rents received	684,070	689,496
Dividends & interest	101,330	150,998
Guest room rental	1,896	415
Deposit account interest	<u>615</u>	<u>34</u>
	<u>787,911</u>	<u>840,943</u>
Total incoming resources	873,242	905,818
EXPENDITURE		
Investment management costs		
Property repairs	98,305	69,850
Professional charges	67,158	50,761
Insurance	4,604	4,174
Rates	2,791	-
Heat & Light	<u>3,177</u>	<u>3,663</u>
	176,035	128,448
Charitable activities		
Wages	118,106	112,869
Social security	6,764	9,758
Pensions	16,986	22,632
Rates and water	24,681	25,439
Insurance	18,982	17,687
Light and heat	71,017	63,599
Sundries	24,126	15,385
Garden expenses	23,531	12,517
Repairs & maintenance	76,976	63,965
Outings & trips	10,170	7,430
Rent	-	754
Other staff costs	-	540
Depn of St Mary's Courtyard	96,968	96,968
Depn of St Mary's Lodge	6,624	6,624
Grants to institutions	<u>42,431</u>	<u>25,000</u>
	537,362	481,167

This page does not form part of the statutory financial statements

Hospital of the Blessed Mary

Detailed Statement of Financial Activities for the Year Ended 31st December 2022

	2022 £	2021 £
Support costs		
Management		
Telephone	7,653	4,912
IT Services	30,919	2,989
Administration services provided by Chapter of Chichester Cathedral	<u>96,783</u>	<u>130,193</u>
	135,355	138,094
Finance		
Bank charges	396	380
Loan	<u>7,182</u>	<u>7,238</u>
	7,578	7,618
Governance costs		
Auditors' remuneration	10,580	9,000
Bookkeeping	28,800	8,491
Legal fees	<u>20,049</u>	<u>13,562</u>
	<u>59,429</u>	<u>31,053</u>
Total resources expended	<u>915,759</u>	<u>786,380</u>
Net (expenditure)/income before gains and losses	(42,517)	119,438
Realised recognised gains and losses		
Realised gains/(losses) on fixed asset investments	<u>-</u>	<u>349,420</u>
Net (expenditure)/income	<u>(42,517)</u>	<u>468,858</u>

THE HOSPITAL OF THE BLESSED MARY, COMMONLY CALLED ST MARY'S, HOSPITAL, CHICHESTER

England & Wales - Charity number 202631

Accounts

**Report of the Trustees and
Audited Financial Statements for the Year Ended 31st December 2021
for
Hospital of the Blessed Mary**

Sheen Stickland
Chartered Accountants
Statutory Auditors
7 East Pallant
Chichester
West Sussex
PO19 1TR

Hospital of the Blessed Mary

**Contents of the Financial Statements
for the Year Ended 31st December 2021**

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Hospital of the Blessed Mary

Report of the Trustees for the Year Ended 31st December 2021

The trustees present their report with the financial statements of the charity for the year ended 31st December 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

(a) To provide Almshouses currently St Mary's Hospital, the married quarters, St Mary's Lodge, St Mary's Courtyard and the Dears Almshouses at Riverside.

(b) To provide pensions for residents and other local persons of good character in need.

Constraints

(a) The first charge on the income of the Charity shall be the cost of maintaining the property.

(b) Any properties not required to be retained or occupied for the purpose of the Charity shall not be let for less than the best rent available.

Policy

It is the policy of the Trustees to assist poor persons of good character.

Public benefit

The trustees have considered the Charity Commission guidance on public benefit and consider that the objectives and activities of the Charity provide public benefit in that it provides good quality, affordable sheltered accommodation and a small measure of financial support to elderly people of limited financial means.

ACHIEVEMENT AND PERFORMANCE

2021 Review

2021 continued to present challenges in connection with the Covid19 pandemic. The restrictions in the early part of the year brought renewed difficulties. However, as the weather improved residents to continue to meet, in the outside spaces. The Summer Festival was again a casualty of Covid as a new variant caused cases to spike in the summer. Residents were delighted to return to Chapel services and the Custos and Deputy Custos led the spiritual life of the almshouses with care and vigour. Throughout the pandemic no residents died or suffered serious illness related to Covid-19 – a testament to the safety of the environment and the care taken by the staff team, especially the Warden Monica Winnett.

Excursions for residents made a tentative return during the year, and the Christmas Carol service was another event that returned, hosted at the Cathedral to better enable social distancing. The Choir were in fine voice, and it was good to be able to celebrate together although a return to the chapel in 2022 remains much anticipated.

The final legal and administrative details of St Mary's Hospital's merger with the Dears Almshouses were completed during 2021, and residents are installed in the new properties with just one vacancy at the end of the reporting period. The site and its residents are being assimilated into the life of St Mary's Hospital, albeit the distance between the sites can sometimes represent a barrier. The Warden made regular visits to the site for resident meetings during the year in question.

The year saw the installation of a new resident care system at all sites, using Everon's technology to link residents to a remote call-centre to provide support for residents and ensure access to emergency services at all times, including when the Warden team were off-site or off-duty. The support services were provided by Centra in Kent, although a move to PPP Taking Care's centre in Chichester is anticipated in 2022 when the technology solution has been fully tested and implemented.

Following the year-end, in early 2022, changes were proposed to the charity's staffing structure recognising that the new technology offered the option to move away from the costly and unusual provision of 24/7/365 warden presence. A consultation with the staff team concluded with the Warden and two cover Warden posts becoming redundant, with a new post of Scheme Manager and Deputy Clerk to the Trustees being created. The Trustees wish to record their thanks to the Warden, Monica Winnett, for her years of dedicated service, and to the Cover Wardens, Julie Huckell and Sarah Bayley for their service and their support during the period of vacancy as the new post was recruited to. The Scheme Manager and Deputy Clerk to the Trustees, Susan Porter, came into post on 1 September 2022.

Residents of Almshouses

At 31st December 2021, there were ten residents in the Hospital, Porters Lodge and the Cottages, including one married couple, twelve residents in the Lodge including one married couple and five in the Courtyard. There were seven residents at the Dears Almshouses site.

ACHIEVEMENT AND PERFORMANCE

Covid Impact Statement

Covid 19 was a key factor during the year in review and affected the lives of staff and residents, as noted in the review section. The Hospital was no longer using furlough during the year in review. The Custos continued to provide spiritual support even when the Chapel could not open, and residents made the most of the beautiful gardens to meet with each other.

Capital values recovered somewhat during the year in review and income has held up relatively well with the charity's investment partner confident of future income levels.

The main area of exposure continued to be the charity's commercial property investments. The charity, through its advisers, continued to work closely with tenants and reviewed leases with an eye to the future. There was, inevitably, an impact on income during the year and commercial rental income continues to be a risk in the longer term with commercial rental values in Chichester having experienced a significant downward correction. Residential rental income has increased somewhat and the move to work with a specialist residential property management company – Henry Adams – has reduced risk in this area as well as improving compliance and the service provided to tenants.

Financially the charity remains in a robust position and the Trustees remain confident in its long-term financial health.

FINANCIAL REVIEW

Financial position

Total incoming resources increased for the year from £825,509 to £905,818 primarily due to an increase in commercial income, investment income and resident contributions. Total expenditure also decreased from £818,471 to £786,380 as a result of reduced staffing, management and governance costs, leaving a significant operating surplus of £119,438. There was net gains on investments of £583,632 due primarily to the bounce-back in equity values during the year. The overall balance of Hospital funds stands at £26,432,825 compared to the previous year's total of £25,729,755.

Investment Strategy

The Finance Committee for Chapter also acts as the overseeing Finance Committee for St Mary's Hospital investments. The strategy remains 100% equity, which at 31 December 2021 was invested with CCLA.

Reserves policy

The Trustees have examined the requirements for reserves in the light of the main risks to the organisation. The Trustees do not consider it necessary to have an established policy for reserves as they consider the funds generated from income producing investments is sufficient to cover operating and governance costs and access to investments can be gained at short notice. They have, however, allocated £250,000 to a designated Extraordinary Repair Fund as a precaution against future liabilities.

FUTURE PLANS

The Hospital will continue to meet its charitable objectives in the future and to ensure that all its investment assets are maintained to the highest standard.

Hospital of the Blessed Mary

Report of the Trustees for the Year Ended 31st December 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The foundation date of the Hospital is not known, though it reputedly came into existence in the second half of the 12th Century. The present Hospital building dates from about 1290.

The Hospital is governed by a scheme of the Charity Commissioners dated 4th November 1898, which was revised on 17th February 1905, 13th February 1987, 8th August 1991, 2nd January 1997, 20th February 2018 and 26th June 2018. The Trustees of the Hospital and its endowment are drawn from the Chapter of Chichester Cathedral and from other individuals with knowledge or experience relevant to an almshouse charity.

Induction and training of new trustees

Upon appointment, each new Trustee is made aware of their legal responsibilities and of their areas affecting the governance of the Fund. Regular training is provided to Trustees as required. This includes updating their knowledge and understanding regarding regulatory and legal development affecting their responsibilities as Trustees and the governance of the fund.

Internal audit

The internal audit function is undertaken by the Clerk to the Trustees on behalf of the Trustees in accordance with the Financial and Management paper. He conducts an appraisal of the following management controls:

- (a) Implementation of management policies and directives.
- (b) Safeguard of the assets and interests of the association.
- (c) Compliance with statutory and other regulatory requirements.
- (d) The reliability and integrity of financial and operating information.
- (e) Efficient, effective and economic use of resources.

With regard to financial matters, he ensures specifically that;

- (f) The two cheque signatories are provided with authorised supporting documentation at the time of signature.
- (g) A close record is maintained of rents receivable and attention drawn to any defaulters.
- (h) The performance of investments is monitored.
- (i) Delegated limits for financial expenditure are not exceeded.
- (j) Competitive tenders are sought for projects in excess of the limits authorised for single tender action and handled in accordance with best practice.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

The Charity relies on 3 main income streams to support its aims:

- 1) Residential lets
- 2) Commercial lets
- 3) Investment income

Chichester is an affluent area and the residential market is buoyant especially for quality lets such as the ones that St Mary's own.

The commercial lets are all on sound tenant covenants with solid trading history, although market conditions have become more challenging in recent years.

St Mary's only hold one deposit which is the owner for Zig Zag. Only one property is an FRI lease and that is the bank. We currently insure the properties including residential, with the exception of the bank.

The investment income portfolio is delegated by St Mary's to the Chapter Finance Committee who monitor outturns and recommends investment mix. The equity and bond ratio is currently 100:00 and is therefore affected by prevailing market conditions.

Operational risk stems from staffing cover and competence and the Trustees review the staffing needs regularly. The staffing overhead is relatively low and competence is shared across functions with Chapter which reduces cost and risk.

Health and Safety risks are managed and a full review was undertaken by a third party in the previous reporting period.

Hospital of the Blessed Mary

**Report of the Trustees
for the Year Ended 31st December 2021**

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

202631

Principal address

Cathedral Office
The Royal Chantry
Cathedral Cloisters
Chichester
West Sussex
PO19 1PX

Trustees

The Very Reverend Stephen J Waine (Chairman)
The Reverend Canon M Townsend Payne
Mrs R Taunt
Mrs A Hayes
Mr I Western
Mrs J Evershed-Martin

Auditors

Sheen Stickland
Chartered Accountants
Statutory Auditors
7 East Pallant
Chichester
West Sussex
PO19 1TR

Solicitors

Irwin Mitchell
Thomas Eggar House
Friary Lane
Chichester
West Sussex
PO19 1UF

Bates Wells
10 Queen Street Place
London
EC4R 1BE

Bankers

NatWest Bank Plc
5 East Street
Chichester
West Sussex
PO19 1HH

Custos

the Reverend Canon B Ruddock

Warden

Mrs Monica Winnett

Clerk to the Trustees and Administrator

Mr David Coulthard

**Report of the Trustees
for the Year Ended 31st December 2021**

STATEMENT OF TRUSTEES' RESPONSIBILITIES

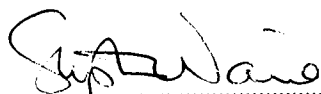
The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them 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. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on 21st September 2022 and signed on its behalf by:



.....
The Very Reverend S J Waine - Trustee

Report of the Independent Auditors to the Trustees of Hospital of the Blessed Mary

Opinion

We have audited the financial statements of Hospital of the Blessed Mary (the 'charity') for the year ended 31st December 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31st December 2021 and of its incoming resources and application of resources, 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

Matters on which we are required to report by exception

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

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; 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.

Report of the Independent Auditors to the Trustees of Hospital of the Blessed Mary

Responsibilities of trustees

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

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

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management, those charged with governance and the entity's solicitors around actual and potential litigation and claims.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

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 Report of the Independent Auditors.

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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Sheen Stickland

Sheen Stickland
Chartered Accountants
Statutory Auditors
7 East Pallant
Chichester
West Sussex
PO19 1TR

Date: *21/9/22*

Hospital of the Blessed Mary

Statement of Financial Activities for the Year Ended 31st December 2021

		2021 Unrestricted funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM	Notes		
Donations and legacies	2	64,875	50,561
Investment income	3	<u>840,943</u>	<u>774,948</u>
Total		905,818	825,509
EXPENDITURE ON			
Raising funds	4	128,448	101,598
Charitable activities	5		
Almshouses		657,932	716,873
		<u>786,380</u>	<u>818,471</u>
Total		786,380	818,471
Net gains/(losses) on investments		<u>583,632</u>	<u>(2,514,506)</u>
NET INCOME/(EXPENDITURE)		703,070	(2,507,468)
Other recognised gains/(losses)			
Actuarial gains on defined benefit schemes		<u>-</u>	<u>34,968</u>
Net movement in funds		703,070	(2,472,500)
RECONCILIATION OF FUNDS			
Total funds brought forward		<u>25,729,755</u>	<u>28,202,255</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>26,432,825</u></u>	<u><u>25,729,755</u></u>

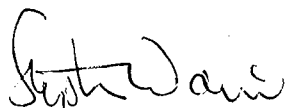
The notes form part of these financial statements

Hospital of the Blessed Mary

Balance Sheet
31st December 2021

	Notes	2021 Unrestricted funds £	2020 Total funds £
FIXED ASSETS			
Tangible assets	10	4,077,562	3,901,154
Investments	11	<u>22,065,972</u>	<u>21,701,658</u>
		26,143,534	25,602,812
CURRENT ASSETS			
Debtors	12	186,570	113,223
Cash at bank and in hand		<u>416,100</u>	<u>338,861</u>
		602,670	452,084
CREDITORS			
Amounts falling due within one year	13	(246,994)	(258,195)
		<u>355,676</u>	<u>193,889</u>
NET CURRENT ASSETS			
		<u>26,499,210</u>	<u>25,796,701</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
CREDITORS			
Amounts falling due after more than one year	14	(66,385)	(66,946)
		<u>26,432,825</u>	<u>25,729,755</u>
NET ASSETS			
FUNDS			
Unrestricted funds	17	<u>26,432,825</u>	<u>25,729,755</u>
TOTAL FUNDS			
		<u>26,432,825</u>	<u>25,729,755</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 21st September 2022 and were signed on its behalf by:


Reverend S J Waine - Trustee

Hospital of the Blessed Mary

Cash Flow Statement for the Year Ended 31st December 2021

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	(695,278)	(744,552)
Interest paid		<u>(7,238)</u>	<u>(7,288)</u>
Net cash used in operating activities		<u>(702,516)</u>	<u>(751,840)</u>
Cash flows from investing activities			
Purchase of fixed asset investments		(3,604,260)	(500,000)
Sale of fixed asset investments		3,543,578	653,358
Sale of investment property		-	(3,358)
Rents received		689,496	643,478
Dividends & interest		150,998	131,295
Interest received		34	90
Dividends received		<u>415</u>	<u>85</u>
Net cash provided by investing activities		<u>780,261</u>	<u>924,948</u>
Cash flows from financing activities			
Loan repayments in year		<u>(506)</u>	<u>(455)</u>
Net cash used in financing activities		<u>(506)</u>	<u>(455)</u>
Change in cash and cash equivalents in the reporting period			
		77,239	172,653
Cash and cash equivalents at the beginning of the reporting period		<u>338,861</u>	<u>166,208</u>
Cash and cash equivalents at the end of the reporting period		<u>416,100</u>	<u>338,861</u>

The notes form part of these financial statements

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

	2021 £	2020 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	703,070	(2,507,468)
Adjustments for:		
Depreciation charges	103,592	97,997
(Gain)/losses on investments	(583,632)	2,514,506
Interest received	(34)	(90)
Interest paid	7,238	7,288
Dividends received	(415)	(85)
Rents received	(689,496)	(643,478)
Dividends and interest received	(150,998)	(131,295)
Actuarial movement	-	(2,963)
Assets transferred from Dears Almshouse	-	37,931
(Increase)/decrease in debtors	(73,347)	7,770
Decrease in creditors	<u>(11,256)</u>	<u>(124,665)</u>
Net cash used in operations	<u><u>(695,278)</u></u>	<u><u>(744,552)</u></u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.21 £	Cash flow £	At 31.12.21 £
Net cash			
Cash at bank and in hand	<u>338,861</u>	<u>77,239</u>	<u>416,100</u>
	<u>338,861</u>	<u>77,239</u>	<u>416,100</u>
Debt			
Debts falling due within 1 year	(505)	(55)	(560)
Debts falling due after 1 year	<u>(66,946)</u>	<u>561</u>	<u>(66,385)</u>
	<u>(67,451)</u>	<u>506</u>	<u>(66,945)</u>
Total	<u><u>271,410</u></u>	<u><u>77,745</u></u>	<u><u>349,155</u></u>

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Income from investment property rents is recognised in the year in which it is receivable.

The Statement of financial activities includes the net gains and losses arising on revaluations and disposals of investment assets throughout the year.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 2% on cost
St Mary's Lodge	- in accordance with the lease

Property expenditure which goes above and beyond simple maintenance is capitalised, where the cost of the work exceeds £50,000.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Pension costs and other post-retirement benefits

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

Hospital of the Blessed Mary

Notes to the Financial Statements - continued for the Year Ended 31st December 2021

1. ACCOUNTING POLICIES - continued

Donated goods

Donations are recognised on entitlement. Donation of fixed assets are included in the accounts at values provided by the donor or at market value.

Going concern

The charity has a large amount of liquid assets which can be used to support any short-term downturns in revenue and any exceptional expenditure. On this basis the Trustees believe the charity is a going concern.

2. DONATIONS AND LEGACIES

	2021	2020
	£	£
Resident's contribution	62,033	31,269
Grants	-	17,007
Donations from visitors	<u>2,842</u>	<u>2,285</u>
	<u>64,875</u>	<u>50,561</u>

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

	2021	2020
	£	£
Job Retention Scheme	-	16,407
Chichester District Council	<u>-</u>	<u>600</u>
	<u>-</u>	<u>17,007</u>

3. INVESTMENT INCOME

	2021	2020
	£	£
Rents received	689,496	643,478
Dividends & interest	150,998	131,295
Guest room rental	415	85
Deposit account interest	<u>34</u>	<u>90</u>
	<u>840,943</u>	<u>774,948</u>

Hospital of the Blessed Mary

Notes to the Financial Statements - continued
for the Year Ended 31st December 2021

4. RAISING FUNDS

Investment management costs

	2021	2020
	£	£
Property repairs	69,850	67,990
Professional charges	50,761	24,017
Insurance	4,174	3,152
Rates	-	1,459
Heat & Light	<u>3,663</u>	<u>4,980</u>
	<u>128,448</u>	<u>101,598</u>

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Grant funding of activities (see note 6) £	Support costs (see note 7) £	Totals £
Almshouses	<u>456,167</u>	<u>25,000</u>	<u>176,765</u>	<u>657,932</u>

6. GRANTS PAYABLE

	2021	2020
	£	£
Almshouses	<u>25,000</u>	<u>25,000</u>

The total grants paid to institutions during the year was as follows:

	2021	2020
	£	£
Christian Care Association	<u>25,000</u>	<u>25,000</u>

7. SUPPORT COSTS

	Management £	Finance £	Governance costs £	Totals £
Almshouses	<u>138,094</u>	<u>7,618</u>	<u>31,053</u>	<u>176,765</u>

Included in the above is £9,000 which relates to the auditors remuneration.

Notes to the Financial Statements - continued
for the Year Ended 31st December 2021

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st December 2021 nor for the year ended 31st December 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31st December 2021 nor for the year ended 31st December 2020.

9. STAFF COSTS

	2021	2020
	£	£
Wages and salaries	112,869	164,113
Social security costs	9,758	10,847
Other pension costs	<u>22,632</u>	<u>26,816</u>
	<u>145,259</u>	<u>201,776</u>

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

<u>2021</u>	<u>2020</u>
-------------	-------------

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

10. TANGIBLE FIXED ASSETS

	Freehold property £	St Mary's Lodge £	Totals £
COST			
At 1st January 2021	4,568,410	397,725	4,966,135
Reclassification	<u>280,000</u>	<u>-</u>	<u>280,000</u>
At 31st December 2021	<u>4,848,410</u>	<u>397,725</u>	<u>5,246,135</u>
DEPRECIATION			
At 1st January 2021	846,224	218,757	1,064,981
Charge for year	<u>96,968</u>	<u>6,624</u>	<u>103,592</u>
At 31st December 2021	<u>943,192</u>	<u>225,381</u>	<u>1,168,573</u>
NET BOOK VALUE			
At 31st December 2021	<u>3,905,218</u>	<u>172,344</u>	<u>4,077,562</u>
At 31st December 2020	<u>3,722,186</u>	<u>178,968</u>	<u>3,901,154</u>

11. FIXED ASSET INVESTMENTS

	Listed investments £	Investment Properties £	Totals £
MARKET VALUE			
At 1st January 2021	3,194,158	18,507,500	21,701,658
Additions	3,604,260	-	3,604,260
Disposals	(3,194,158)	-	(3,194,158)
Revaluations	234,212	-	234,212
Reclassification/transfer	-	(280,000)	(280,000)
At 31st December 2021	<u>3,838,472</u>	<u>18,227,500</u>	<u>22,065,972</u>
NET BOOK VALUE			
At 31st December 2021	<u>3,838,472</u>	<u>18,227,500</u>	<u>22,065,972</u>
At 31st December 2020	<u>3,194,158</u>	<u>18,507,500</u>	<u>21,701,658</u>

There were no investment assets outside the UK.

Cost or valuation at 31st December 2021 is represented by:

	Listed investments £	Investment Properties £	Totals £
Valuation in 2021	<u>3,838,472</u>	<u>18,227,500</u>	<u>22,065,972</u>

All investment properties were subject to a formal valuation undertaken by Flude Property Consultants and Chartered Surveyors on 31 December 2020. The basis of valuation was open market value.

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade debtors	49,596	62,686
Other debtors	<u>136,974</u>	<u>50,537</u>
	<u>186,570</u>	<u>113,223</u>

Notes to the Financial Statements - continued
for the Year Ended 31st December 2021

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Other loans (see note 15)	560	505
Trade creditors	31,726	25,355
Social security and other taxes	2,634	1,698
Rent deposits	74,312	39,972
Accruals and deferred income	<u>137,762</u>	<u>190,665</u>
	<u>246,994</u>	<u>258,195</u>

Included above is deferred income of £70,847 (2020: £89,156) which relates to rents received in advance.

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

	2021	2020
	£	£
Other loans (see note 15)	<u>66,385</u>	<u>66,946</u>

15. LOANS

An analysis of the maturity of loans is given below:

	2021	2020
	£	£
Amounts falling due within one year on demand:		
Housing corporation loan	<u>560</u>	<u>505</u>
Amounts falling between one and two years:		
Other loans - 1-2 years	<u>622</u>	<u>560</u>
Amounts falling due between two and five years:		
Other loans - 2-5 years	<u>2,310</u>	<u>2,081</u>
Amounts falling due in more than five years:		
Repayable by instalments:		
Other loans more 5yrs instal	63,453	64,305

16. SECURED DEBTS

The following secured debts are included within creditors:

	2021	2020
	£	£
Housing corporation loan	<u>66,945</u>	<u>67,451</u>

The loans are due to the Housing Corporation and are secured by way of a specific charges against the properties owned by the charity. The loans are repayable at varying rates of interest to a maximum of 10.75% per annum. Capital is being repaid over 60 years from 31 March 1987.

17. MOVEMENT IN FUNDS

	At 1.1.21 £	Net movement in funds £	At 31.12.21 £
Unrestricted funds			
General fund	25,479,755	703,070	26,182,825
Extraordinary repair fund - designated	<u>250,000</u>	<u>-</u>	<u>250,000</u>
	<u>25,729,755</u>	<u>703,070</u>	<u>26,432,825</u>
TOTAL FUNDS	<u><u>25,729,755</u></u>	<u><u>703,070</u></u>	<u><u>26,432,825</u></u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	905,818	(786,380)	583,632	703,070
	<u>905,818</u>	<u>(786,380)</u>	<u>583,632</u>	<u>703,070</u>
TOTAL FUNDS	<u><u>905,818</u></u>	<u><u>(786,380)</u></u>	<u><u>583,632</u></u>	<u><u>703,070</u></u>

Comparatives for movement in funds

	At 1.1.20 £	Net movement in funds £	At 31.12.20 £
Unrestricted funds			
General fund	27,952,255	(2,472,500)	25,479,755
Extraordinary repair fund - designated	<u>250,000</u>	<u>-</u>	<u>250,000</u>
	<u>28,202,255</u>	<u>(2,472,500)</u>	<u>25,729,755</u>
TOTAL FUNDS	<u><u>28,202,255</u></u>	<u><u>(2,472,500)</u></u>	<u><u>25,729,755</u></u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	825,509	(818,471)	(2,479,538)	(2,472,500)
	<u>825,509</u>	<u>(818,471)</u>	<u>(2,479,538)</u>	<u>(2,472,500)</u>
TOTAL FUNDS	<u><u>825,509</u></u>	<u><u>(818,471)</u></u>	<u><u>(2,479,538)</u></u>	<u><u>(2,472,500)</u></u>

Hospital of the Blessed Mary

Notes to the Financial Statements - continued for the Year Ended 31st December 2021

17. MOVEMENT IN FUNDS - continued

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

	At 1.1.20 £	Net movement in funds £	At 31.12.21 £
Unrestricted funds			
General fund	27,952,255	(1,769,430)	26,182,825
Extraordinary repair fund - designated	<u>250,000</u>	<u>-</u>	<u>250,000</u>
	<u>28,202,255</u>	<u>(1,769,430)</u>	<u>26,432,825</u>
TOTAL FUNDS	<u>28,202,255</u>	<u>(1,769,430)</u>	<u>26,432,825</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	1,731,327	(1,604,851)	(1,895,906)	(1,769,430)
	<u>1,731,327</u>	<u>(1,604,851)</u>	<u>(1,895,906)</u>	<u>(1,769,430)</u>
TOTAL FUNDS	<u>1,731,327</u>	<u>(1,604,851)</u>	<u>(1,895,906)</u>	<u>(1,769,430)</u>

The income funds of the Charity include the Extraordinary Repair fund, which has been set aside out of unrestricted funds by the trustees as a precaution against future liabilities.

18. OTHER FINANCIAL COMMITMENTS

It was agreed by the trustees that St Mary's Hospital would fund the expected shortfall of the building project undertaken by Dears Almshouse, costs to date amounted to £172,874 and the remaining retention of £16,126 has been included in accruals.

19. RELATED PARTY DISCLOSURES

The Chapter of Chichester Cathedral is deemed to be a related party given that a number of Trustees of the Hospital of the Blessed Mary are members of the Chapter of Chichester Cathedral. Members of the finance team of the Chapter of Chichester Cathedral carry out bookkeeping of the Hospital of the Blessed Mary, for which an administration fee is charged. During the year, £138,185 (2020: £159,149) was charged by the Chapter of Chichester Cathedral to the Hospital of the Blessed Mary by way of this administration fee. At 31st December 2021 the Chapter of Chichester owed nil (2020: £9,646).

20. PENSIONS

St Mary's Hospital participates in the Church of England Defined Benefits Scheme (DBS), part of the church Workers Pensions Fund, for employees who joined the staff before 31st December 2002 and the Church Workers Pension Fund Pension Builder 2014 (PB2014). At 31st December 2021 St Mary's had 4 active members in the Fund. The assets of the fund are held separately from those of St Mary's Hospital.

The Defined Benefits scheme was the subject of a full valuation as at 31st December 2019. The fund was shown to be in deficit. The total deficit was assessed to be £17,800, which is included within other creditors, less repayments made to date.

St Marys' also participates in a Pension Builder (PB2014). Contributions to this scheme are charged to the Statement of Financial Activities as they arise.

Hospital of the Blessed Mary

Detailed Statement of Financial Activities for the Year Ended 31st December 2021

	2021 £	2020 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Resident's contribution	62,033	31,269
Grants	-	17,007
Donations from visitors	<u>2,842</u>	<u>2,285</u>
	64,875	50,561
Investment income		
Rents received	689,496	643,478
Dividends & interest	150,998	131,295
Guest room rental	415	85
Deposit account interest	<u>34</u>	<u>90</u>
	<u>840,943</u>	<u>774,948</u>
Total incoming resources	905,818	825,509
EXPENDITURE		
Investment management costs		
Property repairs	69,850	67,990
Professional charges	50,761	24,017
Insurance	4,174	3,152
Rates	-	1,459
Heat & Light	<u>3,663</u>	<u>4,980</u>
	128,448	101,598
Charitable activities		
Wages	112,869	164,113
Social security	9,758	10,847
Pensions	22,632	26,816
Rates and water	25,439	18,694
Insurance	17,687	13,626
Light and heat	63,599	49,013
Sundries	15,385	9,702
Garden expenses	12,517	7,181
Repairs & maintenance	63,965	44,955
Outings & trips	7,430	5,882
Rent	754	3,016
Other staff costs	540	957
Depn of St Mary's Courtyard	96,968	91,368
Depn of St Mary's Lodge	6,624	6,629
Grants to institutions	<u>25,000</u>	<u>25,000</u>
	481,167	477,799

This page does not form part of the statutory financial statements

Hospital of the Blessed Mary**Detailed Statement of Financial Activities
for the Year Ended 31st December 2021**

	2021 £	2020 £
Support costs		
Management		
Telephone	7,901	9,787
Postage and stationery	-	126
Administration and financial services of Dean and Chapter of Chichester Cathedral	<u>130,193</u>	<u>159,149</u>
	138,094	169,062
Finance		
Bank charges	380	410
Loan	<u>7,238</u>	<u>7,288</u>
	7,618	7,698
Governance costs		
Auditors' remuneration	9,000	8,800
Accounting services	8,491	-
Legal fees	<u>13,562</u>	<u>53,514</u>
	<u>31,053</u>	<u>62,314</u>
Total resources expended	<u>786,380</u>	<u>818,471</u>
Net income before gains and losses	119,438	7,038
Realised recognised gains and losses		
Realised gains/(losses) on fixed asset investments	349,420	(27,473)
Realised gains/(losses) on investment property	<u>-</u>	<u>(3,358)</u>
Net income/(expenditure)	<u>468,858</u>	<u>(23,793)</u>

This page does not form part of the statutory financial statements

THE HOSPITAL OF THE BLESSED MARY, COMMONLY CALLED ST MARY'S, HOSPITAL, CHICHESTER

England & Wales - Charity number 202631

Accounts

**Report of the Trustees and
Audited Financial Statements for the Year Ended 31st December 2020
for
Hospital of the Blessed Mary**

Sheen Stickland
Chartered Accountants
Statutory Auditors
7 East Pallant
Chichester
West Sussex
PO19 1TR

Hospital of the Blessed Mary

**Contents of the Financial Statements
for the Year Ended 31st December 2020**

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Hospital of the Blessed Mary

Report of the Trustees for the Year Ended 31st December 2020

The trustees present their report with the financial statements of the charity for the year ended 31st December 2020. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

(a) To provide Almshouses currently St Mary's Hospital, the married quarters, St Mary's Lodge, St Mary's Courtyard and the Dears Almshouses.

(b) To provide pensions for residents and other local persons of good character in need.

Constraints

(a) The first charge on the income of the Charity shall be the cost of maintaining the property.

(b) Any properties not required to be retained or occupied for the purpose of the Charity shall not be let for less than the best rent available.

Policy

It is the policy of the Trustees to assist poor persons of good character with regard to their potential to thrive in a community setting with a strong Christian ethos.

Public benefit

The trustees have considered the Charity Commission guidance on public benefit and consider that the objectives and activities of the Charity provide public benefit in that it provides good quality, affordable sheltered accommodation and a small measure of financial support to elderly people of limited financial means.

ACHIEVEMENT AND PERFORMANCE

2020 Review

By early 2020, the four new almshouse bungalows at Dears Riverside were completed. The merging of the Dears and St Mary's Hospital charities took place in October 2020 - and the operational handover delivered - with final legal administrative details to be completed during 2021.

2020 was a challenging year due to the outbreak of Covid 19, to which the on-site team responded with great professionalism, care and compassion. In response to the government guidance, the St Mary's site was completely closed to outside visitors from March 2020. All staff were furloughed except the Warden, Deputy Warden and Gardener/Assistant Bailiff who all live on site. Chapel services ceased, and all public areas were closed. However, we were blessed with warm weather throughout the spring and summer - this allowed residents to continue to meet, socially distanced, in our lovely gardens. Warden daily visits were restricted to telephone calls unless there were emergency calls - for which full PPE was ready to be worn.

The Warden issued regular Covid Bulletins to ensure that residents were kept fully informed of up-to-date guidance and news. The Warden and Deputy Warden had to keep a close eye on individual compliance for the safety of the community, and this was a constant pressure on them as several residents found it challenging to keep to the regulations. The Warden and Deputy worked alternate 48-hour shifts to ensure that, despite the Cover Wardens being furloughed, there was continual emergency cover available. The Gardener had plenty to do in the gardens, and was able to keep up with any maintenance issues that arose.

After the first slight relaxing of rules, the Custos led weekly outdoor Chapel services in the Cottage garden and also in the St Mary's Lodge garden. This was a huge success, and allowed several residents who had been unable to attend Chapel for years to join us from their doorways. This was one of several positive outcomes we experienced as a community during the months of site closure.

The next relaxation of rules was to allow visits to residents outdoors. Again, the benefit of having our garden spaces was much appreciated.

Official social activities were halted, of course, but we did manage to celebrate the 75th VE Day with a socially distanced party in the Cottage garden. In addition, residents and staff got together daily in the gardens - bringing their own refreshments and keeping to the distancing rules.

Our annual Summer Festival, Open Day and Christmas Carol service were all cancelled due to the pandemic. In addition, our inaugural National Gardens Scheme open days were postponed to 2021.

At the date of reporting there has been not a single confirmed case of Covid 19 amongst residents or staff.

Two new residents moved into two of the newly completed Dears Riverside bungalows in December 2020.

At the end of the year changes were proposed to the charity's approach to maintenance and management of its investment property, which led to the redundancy of long-serving and popular Bailiff Matthew Howard. Matthew's smiling face will be missed by colleagues and residents alike and the Trustees note their sincere thanks for his contribution to St Mary's over many years.

Residents of Almshouses

At 31st December 2020, there were eleven residents in the Hospital, Porters Lodge and the Cottages, including one married couple, twelve residents in the Lodge including two married couples, and seven in the Courtyard. There were five residents at the Dears Almshouses site.

Hospital of the Blessed Mary

Report of the Trustees for the Year Ended 31st December 2020

FINANCIAL REVIEW

Financial position

Total incoming resources decreased for the year from £924,396 to £825,509 primarily due to a decrease in commercial income. Total expenditure also decreased from £1,090,796 to £818,471 as a result of reduced spend of property projects during the pandemic, leaving a small operating surplus. There was an unrealised loss on investments of £2,514,506 due primarily to a reduction in value of the investment property portfolio following a formal valuation. The overall balance of Hospital funds stands at £25,729,755 compared to the previous year's total of £28,202,255.

Investment Strategy

The Finance Committee for Chapter also acts as the overseeing Finance Committee for St Mary's investments. The strategy remains 100% equity, which at 31 December 2020 remained primarily invested in M&G through their specialist charity sector Charifund. Since then, following a tender process and the recommendation of the Finance Committee the investments have been transferred to CCLA.

Reserves policy

The Trustees have examined the requirements for reserves in the light of the main risks to the organisation. The Trustees do not consider it necessary to have an established policy for reserves as they consider the funds generated from income producing investments is sufficient to cover operating and governance costs. The balance held as unrestricted funds at 31st December 2020 was £25,729,755 of which just £3,901,154 is regarded as tangible fixed assets and £3,194,158 is investments which are immediately accessible.

FUTURE PLANS

The Hospital will continue to meet its charitable objectives in the future and to ensure that all of its investment assets are maintained to the highest standard.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The foundation date of the Hospital is not known, though it reputedly came into existence in the second half of the 12th Century. The present Hospital building dates from about 1290.

The Hospital is governed by a scheme of the Charity Commissioners dated 4th November 1898, which was revised on 17th February 1905, 13th February 1987, 8th August 1991, 2nd January 1997, 20th February 2018 and 26th June 2018. The Trustees of the Hospital and its endowment are drawn from the Chapter of Chichester Cathedral and also from other individuals with knowledge or experience relevant to an almshouse charity.

Induction and training of new trustees

Upon appointment, each new Trustee is made aware of their legal responsibilities and of their areas affecting the governance of the Fund. Regular training is provided to Trustees as required. This includes updating their knowledge and understanding regarding regulatory and legal development affecting their responsibilities as Trustees and the governance of the fund.

Internal audit

The internal audit function is undertaken by the Clerk to the Trustees on behalf of the Trustees in accordance with the Financial and Management paper. He conducts an appraisal of the following management controls:

- (a) Implementation of management policies and directives.
- (b) Safeguard of the assets and interests of the association.
- (c) Compliance with statutory and other regulatory requirements.
- (d) The reliability and integrity of financial and operating information.
- (e) Efficient, effective and economic use of resources.

With regard to financial matters, he ensures specifically that;

- (f) The two cheque signatories are provided with authorised supporting documentation at the time of signature.
- (g) A close record is maintained of rents receivable and attention drawn to any defaulters.
- (h) The performance of investments is monitored.
- (i) Delegated limits for financial expenditure are not exceeded.
- (j) Competitive tenders are sought for projects in excess of the limits authorised for single tender action and handled in accordance with best practice.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

The Charity relies on 3 main income streams to support its aims:

- 1) Residential lets
- 2) Commercial lets
- 3) Investment income

Chichester is an affluent area and the residential market is buoyant especially for quality lets such as the ones that St Mary's own.

The commercial lets are all on good tenant covenants with solid trading history and Chichester retail vacancies remain consistently well below the national average, although the commercial sector is always at risk of downturn.

The investment income portfolio is delegated by St Mary's to the Chapter Finance Committee who monitor outturns and recommends investment mix. The equity and bond ratio is currently 100:00 and is therefore at risk to a sudden market downturn.

Operational risk stems from staffing cover and competence and the Trustees review the staffing needs regularly. The staffing overhead is relatively low and competence is shared across functions with Chapter which reduces cost and risk.

Health and Safety risks are managed and a full review was undertaken by third party in the previous reporting period.

Covid Impact Statement

Covid 19 was a key factor during the year in review and affected the lives of staff and residents, as noted in the review section.

The Hospital went into skeleton staffing during lockdown with several members of staff being furloughed and the hospital claimed through the government CJRS for the reclaimable proportions of the salary costs. The Custos continued to provide spiritual support even when the Chapel could not open, and residents made the most of the beautiful gardens to meet with each other.

There was a significant drop in the carrying values of the investment portfolio around the end of March 2020 however capital values had recovered somewhat by the end of the year in review and income has held up relatively well with the charity's investment partner confident of future income levels.

The main area of exposure was the charities commercial property investments. The charity, through its advisers, worked closely with tenants to ensure an appropriate response to the impact Covid and associated lockdowns had on high street footfall and tenant revenues, whilst recognising that the income is key to supporting the charity and its aims. There was, inevitably, an impact on income during the year and commercial rental income is a potential risk in the longer term. Residential rental income remained consistent and the move to work with a specialist residential property management company is believed to reduce potential risk in this area.

During the year end the charity disposed of a surplus building and this further boosted the hospital's levels of cash and investments. Financially the charity remains in a robust position and the Trustees remain confident in its long-term financial health.

Hospital of the Blessed Mary

Report of the Trustees for the Year Ended 31st December 2020

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

202631

Principal address

Cathedral Office
The Royal Chantry
Cathedral Cloisters
Chichester
West Sussex
PO19 1PX

Trustees

The Very Reverend Stephen J Waine (Chairman)
The Reverend Canon T Schofield - Retired 6 June 2020
The Reverend Canon Simon P Holland - Resigned 16 June 2021
The Reverend Canon M Townsend Payne - Appointed 2 December 2020
Mrs R Taunt
Mrs A Hayes
Mr I Western
Mrs J Evershed-Martin

Auditors

Sheen Stickland
Chartered Accountants
Statutory Auditors
7 East Pallant
Chichester
West Sussex
PO19 1TR

Solicitors

Irwin Mitchell
Thomas Eggar House
Friary Lane
Chichester
West Sussex
PO19 1UF

Bates Wells
10 Queen Street Place
London
EC4R 1BE

Bankers

NatWest Bank Plc
5 East Street
Chichester
West Sussex
PO19 1HH

Custos

the Reverend B Ruddock

Warden

Mrs Monica Winnett

Bailiff

Mr Matthew Howard

Hospital of the Blessed Mary

Report of the Trustees for the Year Ended 31st December 2020

Clerk to the Trustees and Administrator

Mr David Coulthard

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them 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. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on 22nd October 2021 and signed on its behalf by:

The Very Reverend S Waine - Chairman

Report of the Independent Auditors to the Trustees of Hospital of the Blessed Mary

Opinion

We have audited the financial statements of Hospital of the Blessed Mary (the 'charity') for the year ended 31st December 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31st December 2020 and of its incoming resources and application of resources, 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

Matters on which we are required to report by exception

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

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; 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.

Report of the Independent Auditors to the Trustees of Hospital of the Blessed Mary

Responsibilities of trustees

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

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

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

- Enquiry of management, those charged with governance and the entity's solicitors around actual and potential litigation and claims.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

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 Report of the Independent Auditors.

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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Sheen Stickland
Chartered Accountants
Statutory Auditors
7 East Pallant
Chichester
West Sussex
PO19 1TR

Date 22nd October 2021

Hospital of the Blessed Mary

Statement of Financial Activities for the Year Ended 31st December 2020

		2020 Unrestricted funds £	2019 Total funds £
INCOME AND ENDOWMENTS FROM	Notes		
Donations and legacies	2	50,561	31,689
Investment income	3	<u>774,948</u>	<u>892,707</u>
Total		825,509	924,396
EXPENDITURE ON			
Raising funds	4	101,598	177,067
Charitable activities	5		
Almshouses		<u>716,873</u>	<u>913,729</u>
Total		818,471	1,090,796
Net gains/(losses) on investments		<u>(2,514,506)</u>	<u>438,603</u>
NET INCOME/(EXPENDITURE)		(2,507,468)	272,203
Other recognised gains/(losses)			
Actuarial gains on defined benefit schemes		(2,963)	-
Transfer from Dears Almshouse		<u>37,931</u>	<u>-</u>
Net movement in funds		(2,472,500)	272,203
RECONCILIATION OF FUNDS			
Total funds brought forward		<u>28,202,255</u>	<u>27,930,052</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>25,729,755</u></u>	<u><u>28,202,255</u></u>

The notes form part of these financial statements

Hospital of the Blessed Mary

Balance Sheet 31st December 2020

		2020 Unrestricted funds £	2019 Total funds £
FIXED ASSETS	Notes		
Tangible assets	10	3,901,154	3,999,151
Investments	11	<u>21,701,658</u>	<u>24,366,164</u>
		25,602,812	28,365,315
CURRENT ASSETS			
Debtors	12	113,223	120,993
Cash at bank and in hand		<u>338,861</u>	<u>166,208</u>
		452,084	287,201
CREDITORS			
Amounts falling due within one year	13	(258,195)	(382,810)
		<u>193,889</u>	<u>(95,609)</u>
NET CURRENT ASSETS			
		25,796,701	28,269,706
TOTAL ASSETS LESS CURRENT LIABILITIES			
CREDITORS			
Amounts falling due after more than one year	14	(66,946)	(67,451)
		<u>25,729,755</u>	<u>28,202,255</u>
NET ASSETS			
FUNDS	17		
Unrestricted funds		<u>25,729,755</u>	<u>28,202,255</u>
TOTAL FUNDS		<u>25,729,755</u>	<u>28,202,255</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 22nd October 2021 and were signed on its behalf by:

The Very Reverend S J Waine - Chairman

Hospital of the Blessed Mary

Cash Flow Statement for the Year Ended 31st December 2020

	Notes	2020 £	2019 £
Cash flows from operating activities			
Cash generated from operations	1	(744,552)	(972,542)
Interest paid		<u>(7,288)</u>	<u>(7,333)</u>
Net cash used in operating activities		<u>(751,840)</u>	<u>(979,875)</u>
Cash flows from investing activities			
Purchase of fixed asset investments		(500,000)	-
Sale of fixed asset investments		653,358	100,000
Sale of investment property		(3,358)	-
Rents received		643,478	720,403
Dividends & interest		131,295	171,656
Interest received		90	43
Dividends received		<u>85</u>	<u>605</u>
Net cash provided by investing activities		<u>924,948</u>	<u>992,707</u>
Cash flows from financing activities			
Loan repayments in year		<u>(455)</u>	<u>(408)</u>
Net cash used in financing activities		<u>(455)</u>	<u>(408)</u>
Change in cash and cash equivalents in the reporting period			
		172,653	12,424
Cash and cash equivalents at the beginning of the reporting period			
		<u>166,208</u>	<u>153,784</u>
Cash and cash equivalents at the end of the reporting period			
		<u><u>338,861</u></u>	<u><u>166,208</u></u>

The notes form part of these financial statements

Notes to the Cash Flow Statement
for the Year Ended 31st December 2020

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

	2020 £	2019 £
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(2,507,468)	272,203
Adjustments for:		
Depreciation charges	97,997	97,997
Losses/(gain) on investments	2,514,506	(438,603)
Interest received	(90)	(43)
Interest paid	7,288	7,333
Dividends received	(85)	(605)
Rents received	(643,478)	(720,403)
Dividends and interest received	(131,295)	(171,656)
(Gains)/losses on investment property	-	(51,673)
Actuarial movement	(2,963)	-
Assets transferred from Dears Almshouse	37,931	-
Decrease/(increase) in debtors	7,770	(113,762)
(Decrease)/increase in creditors	<u>(124,665)</u>	<u>146,670</u>
Net cash used in operations	<u><u>(744,552)</u></u>	<u><u>(972,542)</u></u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.20 £	Cash flow £	At 31.12.20 £
Net cash			
Cash at bank and in hand	<u>166,208</u>	<u>172,653</u>	<u>338,861</u>
	<u>166,208</u>	<u>172,653</u>	<u>338,861</u>
Debt			
Debts falling due within 1 year	(455)	(50)	(505)
Debts falling due after 1 year	<u>(67,451)</u>	<u>505</u>	<u>(66,946)</u>
	<u>(67,906)</u>	<u>455</u>	<u>(67,451)</u>
Total	<u><u>98,302</u></u>	<u><u>173,108</u></u>	<u><u>271,410</u></u>

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Income from investment property rents is recognised in the year in which it is receivable.

The Statement of financial activities includes the net gains and losses arising on revaluations and disposals of investment assets throughout the year.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year-end date are noted as a commitment but not accrued as expenditure.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 2% on cost
St Mary's Lodge	- in accordance with the lease

Property expenditure which goes above and beyond simple maintenance is capitalised, where the cost of the work exceeds £50,000.

Listed investments

Listed investments are measured initially at cost and subsequently at fair value

Investment property

Investment property is shown at fair value. Any aggregate surplus or deficit arising from changes in fair value is transferred to the Statement of Financial Activities.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

1. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

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

Donated goods

Donations are recognised on entitlement. Donation of fixed assets are included in the accounts at values provided by the donor or at market value.

Going concern

The charity has substantial liquid assets which can be realised in the short term and strong and robust revenue streams which can support the charity in any downturn expected. There are no other issues which give rise to any concerns and therefore the Trustees believe the charity is a going concern and the financial statements have been prepared on this basis.

2. DONATIONS AND LEGACIES

	2020	2019
	£	£
Resident's contribution	31,269	28,543
Grants	17,007	-
Donations from visitors	<u>2,285</u>	<u>3,146</u>
	<u>50,561</u>	<u>31,689</u>

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

	2020	2019
	£	£
Job Retention Scheme	16,407	-
Chichester District Council	<u>600</u>	<u>-</u>
	<u>17,007</u>	<u>-</u>

3. INVESTMENT INCOME

	2020	2019
	£	£
Rents received	643,478	720,403
Dividends & interest	131,295	171,656
Guest room rental	85	605
Deposit account interest	<u>90</u>	<u>43</u>
	<u>774,948</u>	<u>892,707</u>

4. RAISING FUNDS

Investment management costs

	2020 £	2019 £
Property repairs	67,990	147,853
Professional charges	24,017	13,033
Insurance	3,152	5,268
Rates	1,459	4,496
Heat & Light	<u>4,980</u>	<u>6,417</u>
	<u>101,598</u>	<u>177,067</u>

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Grant funding of activities (see note 6) £	Support costs (see note 7) £	Totals £
Almshouses	<u>452,799</u>	<u>25,000</u>	<u>239,074</u>	<u>716,873</u>

6. GRANTS PAYABLE

	2020 £	2019 £
Almshouses	<u>25,000</u>	<u>25,000</u>

The total grants paid to institutions during the year was as follows:

	2020 £	2019 £
Christian Care Association	<u>25,000</u>	<u>25,000</u>

7. SUPPORT COSTS

	Management £	Finance £	Governance costs £	Totals £
Almshouses	<u>169,062</u>	<u>7,698</u>	<u>62,314</u>	<u>239,074</u>

Included in the above is £8,800 which relates to the auditors remuneration.

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st December 2020 nor for the year ended 31st December 2019.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31st December 2020 nor for the year ended 31st December 2019.

9. STAFF COSTS

	2020	2019
	£	£
Wages and salaries	164,113	135,241
Social security costs	10,847	-
Other pension costs	<u>26,816</u>	<u>29,951</u>
	<u>201,776</u>	<u>165,192</u>

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

2020	2019
<u>7</u>	<u>7</u>

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

10. TANGIBLE FIXED ASSETS

	Freehold property £	St Mary's Lodge £	Totals £
COST			
At 1st January 2020 and 31st December 2020	<u>4,568,410</u>	<u>397,725</u>	<u>4,966,135</u>
DEPRECIATION			
At 1st January 2020	754,856	212,128	966,984
Charge for year	<u>91,368</u>	<u>6,629</u>	<u>97,997</u>
At 31st December 2020	<u>846,224</u>	<u>218,757</u>	<u>1,064,981</u>
NET BOOK VALUE			
At 31st December 2020	<u>3,722,186</u>	<u>178,968</u>	<u>3,901,154</u>
At 31st December 2019	<u>3,813,554</u>	<u>185,597</u>	<u>3,999,151</u>

Notes to the Financial Statements - continued
for the Year Ended 31st December 2020

11. FIXED ASSET INVESTMENTS

	Listed investments £	Investment Properties £	Totals £
MARKET VALUE			
At 1st January 2020	3,335,381	21,030,783	24,366,164
Additions	500,000	-	500,000
Disposals	(102,473)	(578,358)	(680,831)
Revaluations	<u>(538,750)</u>	<u>(1,944,925)</u>	<u>(2,483,675)</u>
At 31st December 2020	<u>3,194,158</u>	<u>18,507,500</u>	<u>21,701,658</u>
NET BOOK VALUE			
At 31st December 2020	<u>3,194,158</u>	<u>18,507,500</u>	<u>21,701,658</u>
At 31st December 2019	<u>3,335,381</u>	<u>21,030,783</u>	<u>24,366,164</u>

There were no investment assets outside the UK.

All investment properties were subject to a formal valuation undertaken by Flude Property Consultants and Chartered Surveyors on 31 December 2020. The basis of valuation was open market value.

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Trade debtors	62,686	13,210
Other debtors	<u>50,537</u>	<u>107,783</u>
	<u>113,223</u>	<u>120,993</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Other loans (see note 15)	505	455
Trade creditors	25,355	10,891
Social security and other taxes	1,698	2,848
Rent deposits	39,972	53,476
Accruals and deferred income	<u>190,665</u>	<u>315,140</u>
	<u>258,195</u>	<u>382,810</u>

Included above is deferred income of £89,156 (2019: £93,331) which relates to rents received in advance.

Notes to the Financial Statements - continued
for the Year Ended 31st December 2020

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

	2020	2019
	£	£
Other loans (see note 15)	<u>66,946</u>	<u>67,451</u>

15. LOANS

An analysis of the maturity of loans is given below:

	2020	2019
	£	£
Amounts falling due within one year on demand:		
Housing corporation loan	<u>505</u>	<u>455</u>
Amounts falling between one and two years:		
Other loans - 1-2 years	<u>560</u>	<u>505</u>
Amounts falling due between two and five years:		
Other loans - 2-5 years	<u>2,081</u>	<u>1,874</u>
Amounts falling due in more than five years:		
Repayable by instalments:		
Other loans more 5yrs instal	64,305	65,072

16. SECURED DEBTS

The following secured debts are included within creditors:

	2020	2019
	£	£
Housing corporation loan	<u>67,451</u>	<u>67,906</u>

The loans are due to the Housing Corporation and are secured by way of a specific charges against the properties owned by the charity. The loans are repayable at varying rates of interest to a maximum of 10.75% per annum. Capital is being repaid over 60 years from 31 March 1987.

17. MOVEMENT IN FUNDS

	At 1.1.20	Net movement in funds	At 31.12.20
	£	£	£
Unrestricted funds			
General fund	27,952,255	(2,472,500)	25,479,755
Extraordinary repair fund - designated	<u>250,000</u>	-	<u>250,000</u>
	<u>28,202,255</u>	<u>(2,472,500)</u>	<u>25,729,755</u>
TOTAL FUNDS	<u>28,202,255</u>	<u>(2,472,500)</u>	<u>25,729,755</u>

Notes to the Financial Statements - continued
for the Year Ended 31st December 2020

17. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	825,509	(818,471)	(2,479,538)	(2,472,500)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>825,509</u>	<u>(818,471)</u>	<u>(2,479,538)</u>	<u>(2,472,500)</u>

Comparatives for movement in funds

	At 1.1.19 £	Net movement in funds £	At 31.12.19 £
Unrestricted funds			
General fund	27,680,052	272,203	27,952,255
Extraordinary repair fund - designated	250,000	-	250,000
	<u>27,930,052</u>	<u>272,203</u>	<u>28,202,255</u>
TOTAL FUNDS	<u>27,930,052</u>	<u>272,203</u>	<u>28,202,255</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	924,396	(1,090,796)	438,603	272,203
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>924,396</u>	<u>(1,090,796)</u>	<u>438,603</u>	<u>272,203</u>

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

	At 1.1.19 £	Net movement in funds £	At 31.12.20 £
Unrestricted funds			
General fund	27,680,052	(2,200,297)	25,479,755
Extraordinary repair fund - designated	250,000	-	250,000
	<u>27,930,052</u>	<u>(2,200,297)</u>	<u>25,729,755</u>
TOTAL FUNDS	<u>27,930,052</u>	<u>(2,200,297)</u>	<u>25,729,755</u>

Notes to the Financial Statements - continued
for the Year Ended 31st December 2020

17. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	1,749,905	(1,909,267)	(2,040,935)	(2,200,297)
	<u>1,749,905</u>	<u>(1,909,267)</u>	<u>(2,040,935)</u>	<u>(2,200,297)</u>
TOTAL FUNDS	<u>1,749,905</u>	<u>(1,909,267)</u>	<u>(2,040,935)</u>	<u>(2,200,297)</u>

The income funds of the Charity include the Extraordinary Repair fund, which has been set aside out of unrestricted funds by the trustees as a precaution against future liabilities.

18. OTHER FINANCIAL COMMITMENTS

As at 13 October 2020 St Mary's Hospital merged with registered charity Dears Almshouse (charity number 208955), at which point all of the assets and operations were transferred to St Mary's Hospital. The total value of this transfer was £37,931.

It was agreed by the trustees that St Mary's Hospital would fund the expected shortfall of the building project undertaken by Dears Almshouse, costs in the year amounted to £172,874 and the remaining retention of £16,126 has been included in accruals.

19. RELATED PARTY DISCLOSURES

The Chapter of Chichester Cathedral is deemed to be a related party given that a number of Trustees of the Hospital of the Blessed Mary are members of the Chapter of Chichester Cathedral. Members of the finance team of the Chapter of Chichester Cathedral carry out bookkeeping of the Hospital of the Blessed Mary, for which an administration fee is charged. During the year, £159,149 (2019: £158,470) was charged by the Chapter of Chichester Cathedral to the Hospital of the Blessed Mary by way of this administration fee. At 31st December 2020 the Chapter of Chichester owed £9,646 (2019: £5,818).

20. PENSIONS

St Mary's Hospital participates in the Church of England Defined Benefits Scheme (DBS), part of the church Workers Pensions Fund, for employees who joined the staff before 31st December 2002 and the Church Workers Pension Fund Pension Builder 2014 (PB2014). At 31st December 2020 St Mary's had 4 active members in the Fund. The assets of the fund are held separately from those of St Mary's Hospital.

The Defined Benefits scheme was the subject of a full valuation as at 31st December 2019. The fund was shown to be in deficit. The total deficit was assessed to be £17,800, which is included within other creditors, less repayments made in the year.

St Marys' also participates in a Pension Builder (PB2014). Contributions to this scheme are charged to the Statement of Financial Activities as they arise.

Hospital of the Blessed Mary

Detailed Statement of Financial Activities for the Year Ended 31st December 2020

	2020 £	2019 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Resident's contribution	31,269	28,543
Grants	17,007	-
Donations from visitors	<u>2,285</u>	<u>3,146</u>
	50,561	31,689
Investment income		
Rents received	643,478	720,403
Dividends & interest	131,295	171,656
Guest room rental	85	605
Deposit account interest	<u>90</u>	<u>43</u>
	<u>774,948</u>	<u>892,707</u>
Total incoming resources	825,509	924,396
EXPENDITURE		
Investment management costs		
Property repairs	67,990	147,853
Professional charges	24,017	13,033
Insurance	3,152	5,268
Rates	1,459	4,496
Heat & Light	<u>4,980</u>	<u>6,417</u>
	101,598	177,067
Charitable activities		
Wages	164,113	135,241
Social security	10,847	-
Pensions	26,816	29,951
Rates and water	18,694	17,979
Insurance	13,626	10,757
Light and heat	49,013	42,031
Sundries	9,702	20,134
Garden expenses	7,181	31,197
Repairs & maintenance	44,955	269,236
Outings & trips	5,882	8,650
Rent	3,016	3,016
Other staff costs	957	1,256
Depn of St Mary's Courtyard	91,368	91,368
Depn of St Mary's Lodge	6,629	6,629
Grants to institutions	<u>25,000</u>	<u>25,000</u>
	477,799	692,445

This page does not form part of the statutory financial statements

Hospital of the Blessed Mary

Detailed Statement of Financial Activities for the Year Ended 31st December 2020

	2020 £	2019 £
Support costs		
Management		
Telephone	9,787	6,272
Postage and stationery	126	16,162
Administration and financial services of Dean and Chapter of Chichester Cathedral	<u>159,149</u>	<u>158,470</u>
	169,062	180,904
Finance		
Bank charges	410	437
Loan	<u>7,288</u>	<u>7,333</u>
	7,698	7,770
Governance costs		
Auditors' remuneration	8,800	7,855
Legal fees	<u>53,514</u>	<u>24,755</u>
	<u>62,314</u>	<u>32,610</u>
Total resources expended	<u>818,471</u>	<u>1,090,796</u>
Net income/(expenditure) before gains and losses	7,038	(166,400)
Realised recognised gains and losses		
Realised gains/(losses) on fixed asset investments	(27,473)	14,961
Realised gains/(losses) on investment property	<u>(3,358)</u>	<u>-</u>
Net expenditure	<u><u>(23,793)</u></u>	<u><u>(151,439)</u></u>