

**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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	<b>Page</b>
<b>Report of the Trustees</b>	1 to 7
<b>Report of the Independent Auditors</b>	8 to 9
<b>Statement of Financial Activities</b>	10
<b>Balance Sheet</b>	11
<b>Cash Flow Statement</b>	12
<b>Notes to the Cash Flow Statement</b>	13
<b>Notes to the Financial Statements</b>	14 to 22
<b>Detailed Statement of Financial Activities</b>	23 to 24

## **Hospital of the Blessed Mary**

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

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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.

## **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**

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**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**

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**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

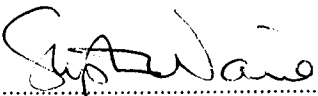
The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 ..... 21<sup>st</sup> September 2022 ..... and signed on its behalf by:

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

### **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

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

The notes form part of these financial statements

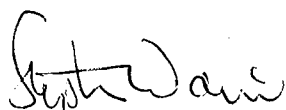
**Hospital of the Blessed Mary**

**Balance Sheet**

**31st December 2021**

	Notes	2021 Unrestricted funds £	2020 Total funds £
<b>FIXED ASSETS</b>			
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
<b>CURRENT ASSETS</b>			
Debtors	12	186,570	113,223
Cash at bank and in hand		<u>416,100</u>	<u>338,861</u>
		602,670	452,084
<b>CREDITORS</b>			
Amounts falling due within one year	13	(246,994)	(258,195)
		<u>355,676</u>	<u>193,889</u>
<b>NET CURRENT ASSETS</b>			
		26,499,210	25,796,701
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			
<b>CREDITORS</b>			
Amounts falling due after more than one year	14	(66,385)	(66,946)
		<u>26,432,825</u>	<u>25,729,755</u>
<b>NET ASSETS</b>			
<b>FUNDS</b>	17		
Unrestricted funds		<u>26,432,825</u>	<u>25,729,755</u>
<b>TOTAL FUNDS</b>		<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 21<sup>st</sup> 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 £
<b>Cash flows from operating activities</b>			
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>
<b>Cash flows from investing activities</b>			
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>
<b>Cash flows from financing activities</b>			
Loan repayments in year		<u>(506)</u>	<u>(455)</u>
Net cash used in financing activities		<u>(506)</u>	<u>(455)</u>
		<u>          </u>	<u>          </u>
<b>Change in cash and cash equivalents in the reporting period</b>		77,239	172,653
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>338,861</u>	<u>166,208</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u><u>416,100</u></u>	<u><u>338,861</u></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)
<b>Adjustments for:</b>		
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>
<b>Net cash used in operations</b>	<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 £
<b>Net cash</b>			
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>
<b>Debt</b>			
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>
<b>Total</b>	<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.



**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>

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	3,663	4,980
	<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 £
<b>COST</b>			
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>
<b>DEPRECIATION</b>			
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>
<b>NET BOOK VALUE</b>			
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>

Notes to the Financial Statements - continued  
for the Year Ended 31st December 2021**11. FIXED ASSET INVESTMENTS**

	Listed investments £	Investment Properties £	Totals £
<b>MARKET VALUE</b>			
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>
<b>NET BOOK VALUE</b>			
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 £
<b>Unrestricted funds</b>			
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>
<b>TOTAL FUNDS</b>	<u>25,729,755</u>	<u>703,070</u>	<u>26,432,825</u>

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

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

## Comparatives for movement in funds

	At 1.1.20 £	Net movement in funds £	At 31.12.20 £
<b>Unrestricted funds</b>			
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>
<b>TOTAL FUNDS</b>	<u>28,202,255</u>	<u>(2,472,500)</u>	<u>25,729,755</u>

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

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

**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 £
<b>Unrestricted funds</b>			
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>
<b>TOTAL FUNDS</b>	<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 £
<b>Unrestricted funds</b>				
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>
<b>TOTAL FUNDS</b>	<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 £
<b>INCOME AND ENDOWMENTS</b>		
<b>Donations and legacies</b>		
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
<b>Investment income</b>		
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>
<b>Total incoming resources</b>	905,818	825,509
<b>EXPENDITURE</b>		
<b>Investment management costs</b>		
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
<b>Charitable activities</b>		
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 £
<b>Support costs</b>		
<b>Management</b>		
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
<b>Finance</b>		
Bank charges	380	410
Loan	<u>7,238</u>	<u>7,288</u>
	7,618	7,698
<b>Governance costs</b>		
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
<b>Realised recognised gains and losses</b>		
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>