

# THE DUCHESS OF SOMERSET'S HOSPITAL

England & Wales · Charity number 202650

## Details

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Other names	THE COLLEGE
Status	Registered
Legal form	Other
Registered	1962-02-24
Register	<a href="#">View on the Charity Commission register</a>

## Contact

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Address	The Bungalow The College Froxfield Marlborough SN8 3LA
Phone	01488684408
Email	<a href="mailto:steward@duchessofsomerset.co.uk">steward@duchessofsomerset.co.uk</a>
Website	<a href="http://www.duchessofsomerset.co.uk">www.duchessofsomerset.co.uk</a>

## Activities

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**Objects:** THE BENEFIT OF THE INMATES OF THE CHARITY WHO SHALL BE POOR WIDOWS OF GOOD CHARACTER WHO ARE NOT AT THE TIME OF THEIR APPOINTMENT IN RECEIPT OF POOR-LAW RELIEF OTHER THAN MEDICAL RELIEF.

**Activities:** Sheltered Housing for able bodied single ladies over 55 years

## Classification

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- **How:** Provides Human Resources, Provides Buildings/facilities/open Space
- **What:** Accommodation/housing
- **Who:** Elderly/old People

## Geography

- **Area of benefit:** WILTS,BERKS,SOMERSET & AREA WITHIN 150 MILES OF LONDON
- Wiltshire

## Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£369,489	£425,427	-	-
2023-12-31	£334,711	£408,704	-	-
2022-12-31	£321,597	£384,594	-	-
2021-12-31	£323,344	£299,248	-	-
2020-12-31	£272,670	£447,053	-	-

## Trustees

Name	Role	Appointed
<b>DUKE JOHN SOMERSET</b>	Chair	
ANNE OLIVER		
Clare Macinnes		2025-10-14
Dr RODNEY OWEN JONES		2015-04-13
Martin Gibson		
Mrs Joanna Gail Cowley		2016-04-11
RICHARD MARCUS NOCTON		
Sarah Jane Muirhead		2025-10-31
Susan Eileen Cranstone		2022-10-17
Tertius Hough		2025-10-14

**THE DUCHESS OF SOMERSET'S HOSPITAL**

England & Wales - Charity number 202650

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# Accounts

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**THE DUCHESS OF SOMERSET'S HOSPITAL**  
**REGISTERED CHARITY NO. 202650**  
**HOMES ENGLAND NO. A3036**

**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**31 DECEMBER 2024**

# THE DUCHESS OF SOMERSET'S HOSPITAL

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YEAR ENDED 31 DECEMBER 2024

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# THE DUCHESS OF SOMERSET'S HOSPITAL

## SIGNIFICANT INFORMATION

YEAR ENDED 31 DECEMBER 2024

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### Trustees

Chairman	His Grace the Duke of Somerset FRICS
Chairman - Executive Committee	Mrs A E Oliver <sup>123</sup>
Chairman - Finance and Building Committees	Mr M Gibson <sup>124</sup>
Chairman - Pastoral Committee	Mrs A E Oliver <sup>123</sup>
Other trustees	Mr C Cooke <sup>124</sup> (resigned 8 April 2024)
	Mr R Nocton <sup>14</sup>
	Dr R Owen-Jones <sup>13</sup>
	Mrs J Cowley <sup>13</sup>
	Mrs H Geary <sup>12</sup> (resigned 15 July 2024)
	Mrs S Cranstone <sup>13</sup>
	Mr G Montgomery <sup>124</sup> (appointed 8 April 2024)

<sup>1</sup> Executive Committee Members

<sup>2</sup> Finance Committee Members

<sup>3</sup> Pastoral Committee Members

<sup>4</sup> Building Committee Members

### Officers

Steward Mrs L Caterer

Warden Mrs E Holborow

### Address

Duchess of Somerset's Hospital  
Froxfield  
Wiltshire  
SN8 3LA

Charity Number 202650

Homes England Number A3036

**THE DUCHESS OF SOMERSET'S HOSPITAL**

**SIGNIFICANT INFORMATION (CONTINUED)**

**YEAR ENDED 31 DECEMBER 2024**

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**Main Advisers**

Bankers	CAF Bank Ltd
Accountants and Independent Examiner	David Owen & Co Chartered Accountants 126 High Street Marlborough Wiltshire SN8 1LZ
Solicitors	The Merriman Partnership Hughenden House 107 High Street Marlborough Wiltshire, SN8 1LN
Investment Advisers	Charles Stanley & Co. Limited 25 Luke Street London EC2A 4AR

**Other Advisors**

Architect and Building Consultant	Sidleys Chartered Surveyors 6 King Edward Street Oxford, OX1 4JL
General advice re Listed Buildings	Almshouse Association Billingbear Lodge Carters Hill Wokingham RG40 5RU
Water Services Consultants	Whatley & Co (Pewsey) Limited High Trees Salisbury Road Pewsey SN9 5NZ

# THE DUCHESS OF SOMERSET'S HOSPITAL

## TRUSTEES' REPORT

YEAR ENDED 31 DECEMBER 2024

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The Trustees present their report and accounts for the year ended 31 December 2024.

### **Structure, Governance and Management**

#### **Governing document**

The Charity was founded by the Duchess of Somerset in 1686 and is registered as a Charity with the Charity Commission under a trust deed dated 3 December 1926 - with variations on 26 January 1945, 21 March 1958, 28 September 1966 and 18 January 1991.

The Charity is also registered with Homes England and is a member of the National Association of Almshouses.

#### **Recruitment and appointment of Trustees**

When considering new Trustees, regard is given to the range of skills held by Trustees so as to encompass a broad mix of financial, legal, property, business and caring skills.

When appointing new Trustees, the Trustees have regard to the guidance issued by the Charity Commission and the Homes England for their induction and training.

#### **Organisation structure**

There are half yearly meetings of the full Trustees with half yearly Executive Committee meetings and a Finance Committee which meets twice a year. Ad hoc subcommittees are set up for specific projects, or Trustees with specific knowledge are requested to write papers for Trustees consideration.

Day to day administration matters are dealt with by the Steward and the Chairman of the Executive Committee.

#### **Risk management**

The Trustees have conducted a review of the major risks to which the Charity is exposed. A risk register has been established and is updated at least annually. Where appropriate, systems or procedures have been established to mitigate the risks the Charity faces. The Trustees consider one of the Charity's main risks to be the health and safety of its residents. To this end a detailed health and safety assessment of the property and grounds was carried out and has been used to develop systems and procedures so as to minimise the risk to residents wherever possible.

#### **Code of Governance**

The Charity has adopted the National Housing Federation's Code of Governance: Promoting Board Excellence for Housing Associations (2020 edition) and is committed to uphold it and keep the high standards expected.

#### **Principal activities, aims and organisation**

The Charity provides sheltered self-contained accommodation to able bodied women normally between the ages of 55 and 80 on initial occupation.

The Charity employs a resident warden. It also operates a system of home visits to residents and arranges for visiting clergy to perform services in the Charity's chapel.

The Trustees operate a discretionary convalescent fund to assist residents in need of short term convalescent/nursing care or ex-residents in need of assistance towards the cost of nursing home fees.

# THE DUCHESS OF SOMERSET'S HOSPITAL

## TRUSTEES' REPORT (continued)

YEAR ENDED 31 DECEMBER 2024

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### Principal activities, aims and organisation (continued)

The Trustees have paid due regard to the Charity Commission's guidance on public benefit in deciding what activities the Charity should undertake.

### Developments, activities and achievements during the year

One cottage was vacated during the year and a new resident was appointed. During 2024, £114,465 was spent on non routine repairs and maintenance compared to £90,047 in the previous year. The major cost in the year was £83,182 on the East roof.

Operational costs, excluding non routine maintenance, were £308,749 compared to £327,450 in 2023. The Charity showed an operating deficit of £105,728 after the extraordinary maintenance costs compared to a deficit in 2023 of £114,647. Taking the results before extraordinary maintenance costs, the charity showed a surplus of £8,737 compared to a deficit in 2023 of £24,600. Investment income fell slightly to £19,740 (2023 - £21,583). After investment income there was a deficit for the year of £66,054 compared to a deficit in 2023 of £73,993. Sales of £60,361 (2023: £56,379) were made from the investment portfolio to pay for extraordinary maintenance but after an unrealised gain in value of £10,116 (2023: £61,795 gain) the portfolio value as at the year end was £653,648. (2023: £706,656), Our total comprehensive deficit for the year was £55,938 compared to a deficit in 2023 of £12,198.

### Value for Money

The Charity is committed to delivering value for money and believes it is more than just saving money. It is about a balance between costs, efficiency and quality. The Charity's main focus is to provide good quality accommodation for its residents using suppliers that are economical, work efficiently, provide good quality results and with which the elderly tenants feel comfortable.

The Regulator of Social Housing has defined seven value for money metrics which all housing associations must report on. These are:

Reinvestment	The Charity is not currently looking to purchase any new properties. In addition the work carried out in the year to current properties has not been capital in nature. This metric therefore does not currently apply.
New supply	As above, this metric does not currently apply.
Gearing	The Charity's gearing ratio is currently minus 16% (2023 - minus 12%). The ratio is negative due to the Charity not currently having any borrowings.
EBITDA MRI Interest Cover	As the Charity does not currently have any borrowings this metric does not apply.
Headline Social Housing Cost	The Charity's headline social housing cost is £7,749 per unit (2023 £6,023). This metric has risen due to the substantial repairs carried out during the year.
Operating margin	The Charity's operating margin for the year was minus 34.86% (2023 - minus 41.64%)

# THE DUCHESS OF SOMERSET'S HOSPITAL

## TRUSTEES' REPORT (continued)

YEAR ENDED 31 DECEMBER 2024

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### Value for Money (continued)

Return on capital employed      The Charity's return on capital employed metric for the year was minus 7.37% (2023 - minus 7.66%).

### Trustees

The Trustees are dedicated to the wellbeing of the Charity's residents and its building. The Trustees have a diverse set of skills and operate a number of sub committees dedicated to different aspects of the life of the Charity. There are currently 8 trustees.

### Reserves policy

The Trustees believe that its Free Reserves, that is funds not committed towards future repairs reserves or invested in Tangible Fixed Assets, should equate to no less than 6 months operational expenditure.

### Investment policy

In 2009 the Trustees reviewed the Charity's investment strategy and concluded that the investments should be managed on a total return basis. The Trustees consider this approach to still be appropriate.

The Trustees believe that in the light of the current investment returns, possible future repair requirements and remaining costs in relation to the replacement boiler, that its current cash balances should continue to be held on short term deposits.

Charles Stanley & Co. Limited act as independent Financial Advisors to the Trustees.

### Trustees' responsibility for the accounts

The Trustees are responsible for preparing the Trustees' Annual Report and financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (UK GAAP), including FRS102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

The law applicable to Charities and Housing Association's in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, of the charity for that period. In preparing the financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the applicable Charities SORP and Housing 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

**THE DUCHESS OF SOMERSET'S HOSPITAL**

**TRUSTEES' REPORT (continued)**

**YEAR ENDED 31 DECEMBER 2024**

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**Trustees' responsibility for the accounts (continued)**

The Trustees are responsible for keeping proper accounting records which are sufficient to show and explain the Charity's transactions and to disclose with reasonable accuracy at any time the financial position of the Charity, and to enable them to ensure that any statements of account comply with the Charities Act 2011, the applicable Charity (Accounts and Reports) Regulations and the Housing SORP 2018: Statement of Recommended Practice for Social Housing issued by the National Housing Federation. They are also responsible for safeguarding the assets of the Charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the Charity and financial information

Approved by the Trustees on 7 April 2025 and signed on their behalf by:

M Gibson  
Chairman - Finance Committee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF  
THE DUCHESS OF SOMERSET'S HOSPITAL  
YEAR ENDED 31 DECEMBER 2024**

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I report to the trustees on my examination of the financial statements of The Duchess of Somerset's Hospital (the charity) for the year ended 31 December 2024.

**Responsibilities and basis of report**

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act) and the Housing SORP 2018: Statement of Recommended Practice for Social Housing issued by the National Housing Federation.

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

**Independent examiner's statement**

The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of ICAEW.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act;
- 2 the financial statements do not accord with those records.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

*A R Atkins*

**Mrs A R Atkins BSc FCA  
David Owen & Co  
Chartered Accountants  
126 High Street  
Marlborough  
Wiltshire SN8 1LZ**

**Date: 15 May 2025**

**THE DUCHESS OF SOMERSET'S HOSPITAL**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

	Notes	2024		2023	
		£	£	£	£
<b>TURNOVER</b>					
<b>Income</b>					
Maintenance contributions from residents			304,878		284,004
Less: Losses from voids			(1,576)		(8,689)
			303,302		275,315
<b>OPERATING INCOME</b>			14,184		27,535
<b>OPERATING EXPENDITURE</b>					
Services		175,219		189,126	
Management		57,137		56,576	
Repairs and servicing		39,797		43,962	
Extraordinary maintenance		114,465		90,047	
Depreciation		36,596		37,032	
Deficit / (surplus) on disposal of tangible assets		-		754	
			(423,214)		(417,497)
<b>OPERATING DEFICIT</b>			(105,728)		(114,647)
Surplus / (deficit) on investment disposals			2,616		1,953
Release of deferred capital grant re property			3,960		3,960
Release of deferred capital grant re plant			2,880		2,880
Deficit on ordinary activities before interest and taxation			(96,272)		(105,854)
Interest receivable and other income	5		32,431		34,200
Investment expenses			(2,213)		(2,339)
<b>DEFICIT FOR THE YEAR</b>	6		(66,054)		(73,993)
Unrealised surplus/(deficit) on investments			10,116		61,795
<b>TOTAL COMPREHENSIVE DEFICIT FOR THE YEAR</b>			(55,938)		(12,198)

The Duchess of Somerset's Hospital has not acquired or discontinued any fundamental activities during the above two financial years.

**THE DUCHESS OF SOMERSET'S HOSPITAL**  
**STATEMENT OF CHANGES IN RESERVES**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

	<b>Investments revaluation reserve £</b>	<b>Investments realised reserve £</b>	<b>Unrestricted general fund £</b>	<b>2024 £</b>
Brought forward as at 1 January 2024	232,851	385,954	640,934	1,259,739
Deficit for the year	-	-	(66,054)	(66,054)
Transfer from Investments revaluation reserve	(26,058)	26,058	-	-
Transfer to Investment realised reserve	-	2,617	(2,617)	-
Unrealised gain in the year	10,116	-	-	10,116
Carried forward as at 31 December 2024	216,909	414,629	572,263	1,203,801

**Note 14**

	<b>Investments revaluation reserve £</b>	<b>Investments realised reserve £</b>	<b>Unrestricted general fund £</b>	<b>2023 £</b>
Brought forward as at 1 January 2023 as previously stated	167,655	387,403	716,879	1,271,937
Deficit for the year	-	-	(73,993)	(73,993)
Transfer from Investments revaluation reserve	3,401	(3,401)	-	-
Transfer to Investment realised reserve	-	1,952	(1,952)	-
Unrealised loss in the year	61,795	-	-	61,795
Carried forward as at 31 December 2023	232,851	385,954	640,934	1,259,739

**THE DUCHESS OF SOMERSET'S HOSPITAL**

**STATEMENT OF FINANCIAL POSITION**

**AS AT 31 DECEMBER 2024**

	Notes	2024		2023	
		£	£	£	£
<b>FIXED ASSETS</b>					
Housing properties	7		604,988		612,988
Other fixed assets					
Cost	8	423,204		422,500	
Less: Accumulated depreciation	8	(334,981)		(306,385)	
			88,223		116,115
Investments	9		653,648		706,656
			1,346,859		1,435,759
<b>CURRENT ASSETS</b>					
Trade and other debtors	10	29,522		40,644	
Cash at bank and in hand	11	86,479		52,092	
			116,001		92,736
Less:					
Creditors: Amounts falling due within one year	12	(28,573)		(31,430)	
<b>NET CURRENT ASSETS</b>			87,428		61,306
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			1,434,287		1,497,065
<b>CREDITORS:</b> Amounts falling due after more than one year	13		(230,486)		(237,326)
<b>NET ASSETS</b>			1,203,801		1,259,739
<b>CAPITAL AND RESERVES</b>					
Income and expenditure account	14		572,263		640,934
Investments realised reserve	Page 9		414,629		385,954
Investments revaluation reserve	Page 9		216,909		232,851
			1,203,801		1,259,739

The financial statements on pages 7 to 19 were approved by the Trustees on 7 April 2025 and signed on their behalf by:

His Grace The Duke of Somerset  
Chairman

M Gibson  
Chairman - Finance Committee

**THE DUCHESS OF SOMERSET'S HOSPITAL**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
<b>Net cash generated from operating activities (See Note 1)</b>	(50,962)	(87,753)
<b>Cash flow from investing activities</b>		
Purchase of tangible fixed assets	(704)	(787)
Proceeds from sale of fixed assets	-	-
Purchase of investments	(10,574)	(251)
Proceeds from sale of investments	60,361	56,379
Investment income received	20,312	22,026
<b>Net change in cash and cash equivalents</b>	<b>18,433</b>	<b>(10,386)</b>
<b>Cash and cash equivalents at beginning of the year</b>	<b>75,870</b>	<b>86,256</b>
<b>Cash and cash equivalents at end of the year</b>	<b>94,303</b>	<b>75,870</b>

**Note 1**

**Cash flow from operating activities**

Total comprehensive (deficit) / income for the year	(55,938)	(12,198)
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**Adjustment for non-cash items:**

Unrealised (surplus)/deficit on investment	(10,116)	(61,795)
Depreciation of tangible fixed assets	36,596	37,032
(Profit)/loss on disposal of tangible assets	-	754
Amortisation of government grants	(6,840)	(6,840)
Decrease/(Increase) in trade and other debtors	11,122	(10,558)
Increase/(decrease) in trade creditors and other creditors	(2,857)	(10,169)

**Adjustments for investing or financing activities:**

(Profit)/loss on disposal of investments	(2,617)	(1,953)
Investment income receivable	(20,312)	(22,026)
	<b>(50,962)</b>	<b>(87,753)</b>

**Note 2**

**Cash and cash equivalents**

Cash included in investments	7,824	23,778
Cash at bank and in hand	86,479	52,092
	<b>94,303</b>	<b>75,870</b>

**THE DUCHESS OF SOMERSET'S HOSPITAL**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

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**1. ACCOUNTING POLICIES**

The Financial Statements have been prepared in accordance with the Statement of Recommended Practice (SORP): Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019, the Charities Act 2011 and the Housing SORP 2018: Statement of Recommended Practice for Social Housing issued by the National Housing Federation.

The Charity constitutes a public benefit entity as defined by FRS 102.

**a. Basis of accounting and going concern**

The Financial Statements are prepared on the historical cost basis of accounting.

At the time of approving the financial statements the trustees have a reasonable expectation that the charity has adequate resources to continue for the foreseeable future.

**b. Turnover**

Turnover represents maintenance contributions receivable.

**c. Housing properties**

The Duchess of Somerset 's Hospital was constructed in the Eighteenth Century and there is no record of the original cost and no value is attributed thereto. The Housing Properties cost relates to improvements carried out since 1981 which were funded by a Housing Corporation Grant; a mortgage loan from the Housing Corporation secured by a charge on housing, land and buildings and from the Duchess of Somerset's Hospital's own resources. Depreciation is charged at 1% per annum on the straight line basis so as to write the cost of improvements off over their expected useful economic lives.

**d. Other fixed assets**

Tangible fixed assets other than housing properties are stated at cost.

Depreciation is calculated so as to write off the cost of other fixed assets on the reducing balance basis over the expected useful economic lives of the assets concerned. The principal annual rate for this purpose which is consistent with that of the previous year's is:

Fixtures and fittings	10% straight line and 15% reducing balance per annum
Plant and machinery	Over 15 years

**e. Social Housing Grant**

Social Housing Grants (SHG) were paid by the Housing Corporation to reduce the cost of development. These are recognised as income on a systematic basis over the expected useful life of the housing property structure. SHG are repayable under certain circumstances, primarily following the sale of the property but will normally be restricted to net proceeds of sale.

**THE DUCHESS OF SOMERSET'S HOSPITAL**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

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**1. ACCOUNTING POLICIES (continued)**

**f. Other Grants**

The other grants received related to the cost of development of the biomass boiler. These are recognised as income on a systematic basis over the expected useful life of the asset.

**g. Capitalisation of interest**

Interest on the mortgage loan financing a development is capitalised up to the date of practical completion of the scheme.

**h. Investments**

Investments held as fixed assets are revalued at their mid-market value at the Balance Sheet date and the gain or loss taken to the Statement of comprehensive income.

**i. Repairs and servicing**

The Duchess of Somerset's Hospital has established a regular programme of repairs and servicing. Costs are charged to the Income and expenditure account in the year in which they are incurred.

**j. Work to existing housing properties**

Works which result in an enhancement of economic benefit to properties are deemed to be improvements and are capitalised. Expenditure is also capitalised where it represents the replacement or restoration of an item that has been treated separately and depreciated over its

**k. Unrestricted funds**

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the Charity without further specified purpose and are available as general funds.

**l. Designated reserves**

Designated reserves are unrestricted funds earmarked by the Trustees for particular purposes.

**m. Restricted funds**

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

**n. Extraordinary repairs reserve**

The extraordinary repairs reserve represents amounts set aside to carry out major repairs on Housing and amounts set aside for cyclical maintenance to meet costs in excess of budgeted

**o. Convalescent and benefits fund**

This fund represents amounts set aside to assist residents in need of short term convalescent/nursing care or ex-residents in need of assistance towards the costs of nursing home

**THE DUCHESS OF SOMERSET'S HOSPITAL**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

**1. ACCOUNTING POLICIES (continued)**

**p. Value added tax**

The Duchess of Somerset's Hospital is not registered for VAT. In these Financial Statements, where applicable, expenditure is shown inclusive of VAT.

**q. Apportionment of expenses**

Costs relating specifically to the provisions of Services, Management and Repairs are apportioned directly to these headings in the Income and Expenditure account. Finance and Administration (Overhead) costs are apportioned between Management and Service Costs on the basis that 50% of the Finance and Administration Costs are attributable to Service Costs and the balance to Management.

**2. TAXATION**

The Duchess of Somerset's Hospital is a registered Charity and all sources of income are used for charitable purposes. It is therefore exempt from liability to taxation on its Income and Capital Gains.

**3. PAYMENT TO TRUSTEES**

The Senior Executives of the charity are its Trustees and the Steward to the Trustees.

No payment of fees or other remuneration were made during the year to any Trustee.

Expenses totalling £1,222 (2023 - £1,559) have been reimbursed to Trustees during the year.

**4. EMPLOYEE INFORMATION**

	<b>2024</b>	<b>2023</b>
	<b>No.</b>	<b>No.</b>
The average weekly number of persons employed during the year was -		
Warden	1	1
Steward and other staff	1	1
	<hr style="border-top: 3px double #000;"/>	<hr style="border-top: 3px double #000;"/>
	<b>£</b>	<b>£</b>
Wages and salaries	64,535	60,178
Social security costs	6,727	6,229
Pension costs	1,936	1,805
	<hr style="border-top: 3px double #000;"/>	<hr style="border-top: 3px double #000;"/>
	<b>73,198</b>	<b>68,212</b>
	<hr style="border-top: 3px double #000;"/>	<hr style="border-top: 3px double #000;"/>

No employee receives emoluments in excess of £60,000.

**THE DUCHESS OF SOMERSET'S HOSPITAL**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

**5. INTEREST RECEIVABLE AND OTHER INCOME**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Bank deposit interest	572	443
Investment income	19,740	21,583
	20,312	22,026
Rent from land	1,000	800
Other income	11,119	11,374
	32,431	34,200

Investments are managed on a total return basis.

**6. DEFICIT ON ORDINARY ACTIVITIES BEFORE TAXATION**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Deficit on Ordinary activities before taxation is stated after charging -		
Depreciation - Tangible fixed assets	36,596	37,032
Independent examiners fees (including VAT)		
- In their capacity as independent examiners	2,060	1,900
- In respect of other services	8,675	7,996
	36,596	37,032

**7. HOUSING PROPERTIES - Freehold**

	<b>Housing Properties £</b>
<b>COST</b>	
At 1 January 2024 as restated	800,019
Additions	-
At 31 December 2024	800,019
<b>DEPRECIATION</b>	
At 1 January 2024 as restated	187,031
Charge for the year	8,000
At 31 December 2024	195,031
<b>NET BOOK VALUE</b>	
At 31 December 2024	604,988
At 31 December 2023	612,988

**THE DUCHESS OF SOMERSET'S HOSPITAL**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

**7. HOUSING PROPERTIES - Freehold (continued)**

The Duchess of Somerset's Hospital was constructed in the Eighteenth Century. There is no record of the original cost and no value is attributed thereto. The amounts included relate to improvements carried out since 1981, some of which were funded by Housing Corporation Grants of £395,900. These grants are being written off over 100 years in line with the depreciation policy.

**8. OTHER FIXED ASSETS**

	Plant and machinery £	Fixtures and fittings £	Total £
<b>COST</b>			
At 1 January 2024 as restated	327,927	94,573	422,500
Additions	-	704	704
Disposals	-	-	-
At 31 December 2024	327,927	95,277	423,204
<b>DEPRECIATION</b>			
At 1 January 2024 as restated	262,572	43,813	306,385
Charge for the year	21,634	6,962	28,596
Disposals	-	-	-
At 31 December 2024	284,206	50,775	334,981
<b>NET BOOK VALUE</b>			
At 31 December 2024	43,721	44,502	88,223
At 31 December 2023	65,355	50,760	116,115

**9. FIXED ASSET INVESTMENTS**

	2024 £	2023 £	2024 £	2023 £
	Market value		Cost	
Share portfolio at 31 December	645,824	682,878	428,915	450,027
Cash held	7,824	23,778	7,824	23,778
	653,648	706,656	436,739	473,805

These listed investments are managed on a total return basis by Charles Stanley & Co. Limited.

**THE DUCHESS OF SOMERSET'S HOSPITAL**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

**10. DEBTORS**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Arrears of maintenance contributions	2,366	2,309
Prepayments and accrued income	21,709	32,921
Other debtors	5,447	5,414
	<u>29,522</u>	<u>40,644</u>

**11. CASH AT BANK AND IN HAND & CASH EQUIVALENT**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
General funds	17,092	10,092
Extraordinary repair fund	62,638	35,251
Convalescent and benefit fund	6,749	6,749
	<u>86,479</u>	<u>52,092</u>

**12. CREDITORS: Amounts falling due within one year**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Maintenance contributions received in advance	765	36
Accruals	17,868	21,390
Other creditors	3,100	3,164
Deferred capital grants re property	3,960	3,960
Deferred capital grants re plant	2,880	2,880
	<u>28,573</u>	<u>31,430</u>

**13. CREDITORS: Amounts falling due after more than one year**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Deferred capital grants re property	230,474	234,434
Deferred capital grants re plant	12	2,892
	<u>230,486</u>	<u>237,326</u>

**THE DUCHESS OF SOMERSET'S HOSPITAL**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

**14. UNRESTRICTED GENERAL FUND**

	Income & Expenditure Account £	Designated Funds		2024 £
		Extra-ordinary Repairs Reserve £	Convales-cent and Benefits Fund £	
Balance at 1 January 2024	133,967	500,218	6,749	640,934
Deficit for the year	(66,054)	-	-	(66,054)
Transfer to Investment realised reserve	(2,617)	-	-	(2,617)
Transfer from Income & expenditure account	39,938	(39,938)	-	-
Balance at 31 December 2024	105,234	460,280	6,749	572,263

Transfer from/(to) Income & expenditure account				
Repair provision transfers		57,000	-	57,000
Investment income		19,740	-	19,740
Investment expenses		(2,213)	-	(2,213)
Less: Expenditure		(114,465)	-	(114,465)
		(39,938)	-	(39,938)

	Income & Expenditure Account £	Designated Funds		2023 £
		Extra-ordinary Repairs Reserve £	Convales-cent and Benefits Fund £	
Balance at 1 January 2023	180,109	530,021	6,749	716,879
Deficit for the year	(73,993)	-	-	(73,993)
Transfer to Investment realised reserve	(1,952)	-	-	(1,952)
Transfer from Income & expenditure account	29,803	(29,803)	-	-
Balance at 31 December 2023	133,967	500,218	6,749	640,934

Transfer from/(to) Income & expenditure account				
Repair provision transfers		41,000	-	41,000
Investment income		21,583	-	21,583
Investment expenses		(2,339)	-	(2,339)
Less: Expenditure		(90,047)	-	(90,047)
		(29,803)	-	(29,803)

**THE DUCHESS OF SOMERSET'S HOSPITAL**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

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**15 CAPITAL COMMITMENTS**

At 31 December 2024 and 2023, there were no known capital commitments.

**16 CONTINGENT LIABILITIES**

At 31 December 2024 and 2023, there were no known contingent liabilities.

**17 PAYMENTS TO CREDITORS**

Payments are made to creditors within 30 days of receipt of invoice.

**18 UTILISATION OF COTTAGES**

The charity operates 50 units of accommodation, 49 of which are occupied by residents with 1 unit being available for use as a guest flat for residents' visitors.

**19 RELATED PARTIES**

The Charity is supplied with electricity via a farm buyers group of which Mr M Gibson, a trustee, is a member. Invoices are received and paid by Mr M Gibson and then recharged to the Charity. The costs recharged in the year were £14,279 (2023 - £24,179).

**THE DUCHESS OF SOMERSET'S HOSPITAL**

**APPORTIONMENT OF EXPENSES**

**FOR THE YEAR ENDED 31 DECEMBER 2024**

	2024			2023		
	Total £	Services £	Manage - ment £	Total £	Services £	Manage - ment £
<b>SALARIES AND STAFF EXPENSES</b>						
Warden (75% : 25%)	36,252	27,189	9,063	33,844	25,383	8,461
Steward & secretarial	36,946	-	36,946	34,368	-	34,368
Chaplain	3,653	3,653	-	3,759	3,759	-
Warden call cover	13,570	13,570	-	6,880	6,880	-
<b>ESTABLISHMENT EXPENSES</b>						
Central heating fuel	59,995	59,995	-	79,156	79,156	-
Property insurance	12,606	12,606	-	11,665	11,665	-
General and water rates	4,267	4,267	-	4,885	4,885	-
Electricity charges	20,828	20,828	-	23,404	23,404	-
Garden expenses	18,918	18,918	-	17,422	17,422	-
Website and computer costs	347	347	-	372	372	-
<b>GENERAL EXPENSES</b>						
Convalescent contributions etc.	2,715	2,715	-	2,450	2,450	-
Telephone charges less receipts	2,769	1,385	1,384	2,853	1,427	1,426
Accountancy	10,735	5,368	5,367	9,896	4,948	4,948
Administration and stationery	888	444	444	795	398	397
General expenses	5,446	2,723	2,723	4,256	2,128	2,128
Professional fees	1,821	911	910	9,097	4,549	4,548
Trustee expenses	600	300	300	600	300	300
<b>TOTAL EXPENSES</b>	<b>232,356</b>	<b>175,219</b>	<b>57,137</b>	<b>245,702</b>	<b>189,126</b>	<b>56,576</b>

**THE DUCHESS OF SOMERSET'S HOSPITAL**

England & Wales - Charity number 202650

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# Accounts

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**THE DUCHESS OF SOMERSET'S HOSPITAL**

**REGISTERED CHARITY NO. 202650**

**HOMES ENGLAND NO. A3036**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31 DECEMBER 2023**

# THE DUCHESS OF SOMERSET'S HOSPITAL

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YEAR ENDED 31 DECEMBER 2023

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# THE DUCHESS OF SOMERSET'S HOSPITAL

## SIGNIFICANT INFORMATION

YEAR ENDED 31 DECEMBER 2023

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### Trustees

Chairman	His Grace the Duke of Somerset FRICS
Chairman - Executive Committee	Mrs A E Oliver <sup>123</sup>
Chairman - Finance and Building Committees	Mr M Gibson <sup>124</sup>
Chairman - Pastoral Committee	Mrs A E Oliver <sup>123</sup>
Other trustees	Mr C Cooke <sup>124</sup>
	Mr R Nocton <sup>14</sup>
	Dr R Owen-Jones <sup>13</sup>
	Mrs J Cowley <sup>1</sup>
	Mrs H Geary <sup>12</sup>
	Mrs S Cranstone <sup>1</sup>

<sup>1</sup> Executive Committee Members

<sup>2</sup> Finance Committee Members

<sup>3</sup> Pastoral Committee Members

<sup>4</sup> Building Committee Members

### Officers

Steward Mrs L Caterer

Warden Mrs E Holborow

### Address

Duchess of Somerset's Hospital  
Froxfield  
Wiltshire  
SN8 3LA

Charity Number 202650

Homes England Number A3036

**THE DUCHESS OF SOMERSET'S HOSPITAL**

**SIGNIFICANT INFORMATION (CONTINUED)**

**YEAR ENDED 31 DECEMBER 2023**

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**Main Advisers**

Bankers	CAF Bank Ltd
Accountants and Independent Examiner	David Owen & Co Chartered Accountants 126 High Street Marlborough Wiltshire SN8 1LZ
Solicitors	The Merriman Partnership Hughenden House 107 High Street Marlborough Wiltshire, SN8 1LN
Investment Advisers	Charles Stanley & Co. Limited 25 Luke Street London EC2A 4AR

**Other Advisers**

Architect and Building Consultant	Sidleys Chartered Surveyors 6 King Edward Street Oxford, OX1 4JL
General advice re Listed Buildings	Almshouse Association Billingbear Lodge Carters Hill Wokingham RG40 5RU
Water Services Consultants	Whatley & Co (Pewsey) Limited High Trees Salisbury Road Pewsey SN9 5NZ

# THE DUCHESS OF SOMERSET'S HOSPITAL

## TRUSTEES' REPORT

YEAR ENDED 31 DECEMBER 2023

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The Trustees present their report and accounts for the year ended 31 December 2023.

### **Structure, Governance and Management**

#### **Governing document**

The Charity was founded by the Duchess of Somerset in 1686 and is registered as a Charity with the Charity Commission under a trust deed dated 3 December 1926 - with variations on 26 January 1945, 21 March 1958, 28 September 1966 and 18 January 1991.

The Charity is also registered with Homes England and is a member of the National Association of Almshouses.

#### **Recruitment and appointment of Trustees**

When considering new Trustees, regard is given to the range of skills held by Trustees so as to encompass a broad mix of financial, legal, property, business and caring skills.

When appointing new Trustees, the Trustees have regard to the guidance issued by the Charity Commission and the Homes England for their induction and training.

#### **Organisation structure**

There are half yearly meetings of the full Trustees with half yearly Executive Committee meetings and a Finance Committee which meets twice a year. Ad hoc subcommittees are set up for specific projects, or Trustees with specific knowledge are requested to write papers for Trustees consideration.

Day to day administration matters are dealt with by the Steward and the Chairman of the Executive Committee.

#### **Risk management**

The Trustees have conducted a review of the major risks to which the Charity is exposed. A risk register has been established and is updated at least annually. Where appropriate, systems or procedures have been established to mitigate the risks the Charity faces. The Trustees consider one of the Charity's main risks to be the health and safety of its residents. To this end a detailed health and safety assessment of the property and grounds was carried out and has been used to develop systems and procedures so as to minimise the risk to residents wherever possible.

#### **Code of Governance**

The Charity has adopted the National Housing Federation's Code of Governance: Promoting Board Excellence for Housing Associations (2020 edition) and is committed to uphold it and keep the high standards expected.

#### **Principal activities, aims and organisation**

The Charity provides sheltered self-contained accommodation to able bodied women normally between the ages of 55 and 80 on initial occupation.

The Charity employs a resident warden. It also operates a system of home visits to residents and arranges for visiting clergy to perform services in the Charity's chapel.

The Trustees operate a discretionary convalescent fund to assist residents in need of short term convalescent/nursing care or ex-residents in need of assistance towards the cost of nursing home fees.

# THE DUCHESS OF SOMERSET'S HOSPITAL

## TRUSTEES' REPORT (continued)

### YEAR ENDED 31 DECEMBER 2023

---

#### Principal activities, aims and organisation (continued)

The Trustees have paid due regard to the Charity Commission's guidance on public benefit in deciding what activities the Charity should undertake.

#### Developments, activities and achievements during the year

The Charity has had a fulfilling year. Only one cottage was vacated during the year and a new resident was appointed. During 2023, £90,047 was spent on non routine repairs and maintenance compared to £40,324 in the previous year. The major costs in the year were £22,000 on the Clock Tower, £15,000 on a new chimney and flue system for the biomass boiler and £16,000 on repointing and damp proofing walls. Due to the very hot and dry summer we switched off our biomass boiler as we suffered from smoke billowing around. However, the Renewable Heat Incentive payment has more than covered the costs of work.

The Charity Wood suffered in the 2022 drought and will require some replanting. The Woodland Trust has stated it will continue to support the development of the wood. The permissive footpath has been much used by the village and residents. The gardens and orchard are beautifully tended by the groundsman.

Operational costs, excluding non routine maintenance, were £327,450 compared to £292,463 in 2022. The Charity showed an operating deficit of £114,647 compared to a deficit in 2022 of £43,531. Investment income fell slightly to £21,583 (2022 - £22,907). After investment income there was a deficit for the year of £73,993 compared to a deficit in 2022 of £7,695. Sales of £56,379 (2022: £53,444) were made from the investment portfolio to pay for extraordinary maintenance but after an unrealised gain in value of £61,795 (2022: £55,302 loss) the portfolio value as at the year end was £706,656. (2022: £701,317), Our total comprehensive deficit for the year was £12,198 compared to a deficit in 2022 of £62,997.

#### Value for Money

The Charity is committed to delivering value for money and believes it is more than just saving money. It is about a balance between costs, efficiency and quality. The Charity's main focus is to provide good quality accommodation for its residents using suppliers that are economical, work efficiently, provide good quality results and with which the elderly tenants feel comfortable.

The Regulator of Social Housing has defined seven value for money metrics which all housing associations must report on. These are:

Reinvestment	The Charity is not currently looking to purchase any new properties. In addition the work carried out in the year to current properties has not been capital in nature. This metric therefore does not currently apply.
New supply	As above, this metric does not currently apply.
Gearing	The Charity's gearing ratio is currently (69)% (2022 - (77)%). The ratio is negative due to the Charity not currently having any borrowings.
EBITDA MRI Interest Cover	As the Charity does not currently have any borrowings this metric does not apply.
Headline Social Housing Cost	The Charity's headline social housing cost is £7,749 per unit (2022 £6,023). This metric has risen due to the substantial repairs carried out in the the year.
Operating margin	The Charity's operating margin for the year was (41.64)% (2022 - (16.76)%)

# THE DUCHESS OF SOMERSET'S HOSPITAL

## TRUSTEES' REPORT (continued)

YEAR ENDED 31 DECEMBER 2023

---

### Value for Money (continued)

Return on capital employed      The Charity's return on capital employed metric for the year was (7.66)% (2021 - (2.87)%).

### Trustees

The Trustees are dedicated to the wellbeing of the Charity's residents and its building. The Trustees have a diverse set of skills and operate a number of sub committees dedicated to different aspects of the life of the Charity. There are currently 10 trustees.

### Reserves policy

The Trustees believe that its Free Reserves, that is funds not committed towards future repairs reserves or invested in Tangible Fixed Assets, should equate to no less than 6 months operational expenditure.

### Investment policy

In 2009 the Trustees reviewed the Charity's investment strategy and concluded that the investments should be managed on a total return basis. The Trustees consider this approach to still be appropriate.

The Trustees believe that in the light of the current investment returns, possible future repair requirements and remaining costs in relation to the replacement boiler, that its current cash balances should continue to be held on short term deposits.

Charles Stanley & Co. Limited act as independent Financial Advisors to the Trustees.

### Trustees' responsibility for the accounts

The Trustees are responsible for preparing the Trustees' Annual Report and financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (UK GAAP), including FRS102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

The law applicable to Charities and Housing Association's in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, of the charity for that period. In preparing the financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the applicable Charities SORP and Housing 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

# THE DUCHESS OF SOMERSET'S HOSPITAL

## TRUSTEES' REPORT (continued)

YEAR ENDED 31 DECEMBER 2023

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### Trustees' responsibility for the accounts (continued)

The Trustees are responsible for keeping proper accounting records which are sufficient to show and explain the Charity's transactions and to disclose with reasonable accuracy at any time the financial position of the Charity, and to enable them to ensure that any statements of account comply with the Charities Act 2011, the applicable Charity (Accounts and Reports) Regulations and the Housing SORP 2018: Statement of Recommended Practice for Social Housing issued by the National Housing Federation. They are also responsible for safeguarding the assets of the Charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the Charity and financial information included on the Charity's website.

Approved by the Trustees on 8 April 2024 and signed on their behalf by:

M Gibson  
Chairman - Finance Committee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF  
THE DUCHESS OF SOMERSET'S HOSPITAL  
YEAR ENDED 31 DECEMBER 2023**

---

I report to the trustees on my examination of the financial statements of The Duchess of Somerset's Hospital (the charity) for the year ended 31 December 2023.

**Responsibilities and basis of report**

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act) and the Housing SORP 2018: Statement of Recommended Practice for Social Housing issued by the National Housing Federation.

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

**Independent examiner's statement**

The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of ICAEW.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

**Mrs A R Atkins BSc FCA  
David Owen & Co  
Chartered Accountants  
126 High Street  
Marlborough  
Wiltshire SN8 1LZ**

**Date:**

**THE DUCHESS OF SOMERSET'S HOSPITAL**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

	Notes	2023		2022	
		£	£	£	£
<b>TURNOVER</b>					
<b>Income</b>					
Maintenance contributions from residents			284,004		263,424
Less: Losses from voids			(8,689)		(3,620)
			275,315		259,804
<b>OPERATING INCOME</b>			27,535		29,452
<b>OPERATING EXPENDITURE</b>					
Services		189,126		161,679	
Management		56,576		46,376	
Repairs and servicing		43,962		46,747	
Extraordinary maintenance		90,047		40,324	
Depreciation		37,032		37,661	
Deficit / (surplus) on disposal of tangible assets		754		-	
			(417,497)		(332,787)
<b>OPERATING DEFICIT</b>			(114,647)		(43,531)
Surplus / (deficit) on investment disposals			1,953		(966)
Release of deferred capital grant re property			3,960		3,960
Release of deferred capital grant re plant			2,880		2,880
Deficit on ordinary activities before interest and taxation			(105,854)		(37,657)
Interest receivable and other income	5		34,200		32,341
Investment expenses			(2,339)		(2,379)
<b>DEFICIT FOR THE YEAR</b>	6		(73,993)		(7,695)
Unrealised surplus/(deficit) on investments			61,795		(55,302)
<b>TOTAL COMPREHENSIVE DEFICIT FOR THE YEAR</b>			(12,198)		(62,997)

The Duchess of Somerset's Hospital has not acquired or discontinued any fundamental activities during the above two financial years.

**THE DUCHESS OF SOMERSET'S HOSPITAL**  
**STATEMENT OF CHANGES IN RESERVES**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

	<b>Investments revaluation reserve £</b>	<b>Investments realised reserve £</b>	<b>Unrestricted general fund £</b>	<b>2023 £</b>
Brought forward as at 1 January 2023	167,655	387,403	716,879	1,271,937
Deficit for the year	-	-	(73,993)	(73,993)
Transfer from Investments revaluation reserve	3,401	(3,401)	-	-
Transfer to Investment realised reserve	-	1,952	(1,952)	-
Unrealised gain in the year	61,795	-	-	61,795
Carried forward as at 31 December 2023	232,851	385,954	640,934	1,259,739

**Note 14**

	<b>Investments revaluation reserve £</b>	<b>Investments realised reserve £</b>	<b>Unrestricted general fund £</b>	<b>2022 £</b>
Brought forward as at 1 January 2022 as previously stated	227,609	383,717	723,608	1,334,934
Deficit for the year	-	-	(7,695)	(7,695)
Transfer from Investments revaluation reserve	(4,652)	4,652	-	-
Transfer to Investment realised reserve	-	(966)	966	-
Unrealised loss in the year	(55,302)	-	-	(55,302)
Carried forward as at 31 December 2022	167,655	387,403	716,879	1,271,937

**THE DUCHESS OF SOMERSET'S HOSPITAL**

**STATEMENT OF FINANCIAL POSITION**

**AS AT 31 DECEMBER 2023**

	Notes	2023		2022	
		£	£	£	£
<b>FIXED ASSETS</b>					
Housing properties	7		612,988		620,988
Other fixed assets					
Cost	8	422,499		431,874	
Less: Accumulated depreciation	8	(306,384)		(286,760)	
			116,115		145,114
Investments	9		706,656		701,317
			1,435,759		1,467,419
<b>CURRENT ASSETS</b>					
Trade and other debtors	10	40,644		30,086	
Cash at bank and in hand	11	52,092		60,198	
			92,736		90,284
Less:					
Creditors: Amounts falling due within one year	12	(31,430)		(41,600)	
			61,306		48,684
<b>NET CURRENT ASSETS</b>			61,306		48,684
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			1,497,065		1,516,103
<b>CREDITORS:</b> Amounts falling due after more than one year	13		(237,326)		(244,166)
<b>NET ASSETS</b>			1,259,739		1,271,937
<b>CAPITAL AND RESERVES</b>					
Income and expenditure account	14		640,934		716,879
Investments realised reserve	Page 8		385,954		387,403
Investments revaluation reserve	Page 8		232,851		167,655
			1,259,739		1,271,937

The financial statements on pages 7 to 19 were approved by the Trustees on 8 April 2024 and signed on their behalf by:

His Grace The Duke of Somerset  
Chairman

M Gibson  
Chairman - Finance Committee

**THE DUCHESS OF SOMERSET'S HOSPITAL**

**STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED 31 DECEMBER 2023**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
<b>Net cash generated from operating activities (See Note 1)</b>	(87,753)	41,199
<b>Cash flow from investing activities</b>		
Purchase of tangible fixed assets	(787)	(59,703)
Proceeds from sale of fixed assets	-	-
Purchase of investments	(251)	(27,236)
Proceeds from sale of investments	56,379	53,444
Investment income received	22,026	23,040
<b>Net change in cash and cash equivalents</b>	(10,386)	30,744
<b>Cash and cash equivalents at beginning of the year</b>	86,256	55,512
<b>Cash and cash equivalents at end of the year</b>	75,870	86,256
 <b>Note 1</b>		
<b>Cash flow from operating activities</b>		
Total comprehensive (deficit) / income for the year	(12,198)	(62,997)
<b>Adjustment for non-cash items:</b>		
Unrealised (surplus)/deficit on investment	(61,795)	55,302
Depreciation of tangible fixed assets	37,032	37,661
(Profit)/loss on disposal of tangible assets	754	-
Amortisation of government grants	(6,840)	(6,840)
Decrease/(Increase) in trade and other debtors	(10,558)	26,971
Increase/(decrease) in trade creditors and other creditors	(10,169)	13,176
<b>Adjustments for investing or financing activities:</b>		
(Profit)/loss on disposal of investments	(1,953)	966
Investment income receivable	(22,026)	(23,040)
	(87,753)	41,199
 <b>Note 2</b>		
<b>Cash and cash equivalents</b>		
Cash included in investments	23,778	26,058
Cash at bank and in hand	52,092	60,198
	75,870	86,256

# THE DUCHESS OF SOMERSET'S HOSPITAL

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2023

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#### 1. ACCOUNTING POLICIES

The Financial Statements have been prepared in accordance with the Statement of Recommended Practice (SORP): Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019, the Charities Act 2011 and the Housing SORP 2018: Statement of Recommended Practice for Social Housing issued by the National Housing Federation.

The Charity constitutes a public benefit entity as defined by FRS 102.

##### a. Basis of accounting and going concern

The Financial Statements are prepared on the historical cost basis of accounting.

At the time of approving the financial statements the trustees have a reasonable expectation that the charity has adequate resources to continue for the foreseeable future. The trustees are mindful that these financial statements have been approved at a time when the coronavirus pandemic is affecting many charities. However as the charity is not reliant on donations this is not considered to result in any material uncertainties.

##### b. Turnover

Turnover represents maintenance contributions receivable.

##### c. Housing properties

The Duchess of Somerset 's Hospital was constructed in the Eighteenth Century and there is no record of the original cost and no value is attributed thereto. The Housing Properties cost relates to improvements carried out since 1981 which were funded by a Housing Corporation Grant; a mortgage loan from the Housing Corporation secured by a charge on housing, land and buildings and from the Duchess of Somerset's Hospital's own resources. Depreciation is charged at 1% per annum on the straight line basis so as to write the cost of improvements off over their expected useful economic lives.

##### d. Other fixed assets

Tangible fixed assets other than housing properties are stated at cost.

Depreciation is calculated so as to write off the cost of other fixed assets on the reducing balance basis over the expected useful economic lives of the assets concerned. The principal annual rate for this purpose which is consistent with that of the previous year's is:

Fixtures and fittings	15% per annum
Plant and machinery	Over 15 years

##### e. Social Housing Grant

Social Housing Grants (SHG) were paid by the Housing Corporation to reduce the cost of development. These are recognised as income on a systematic basis over the expected useful life of the housing property structure. SHG are repayable under certain circumstances, primarily following the sale of the property but will normally be restricted to net proceeds of sale.

**THE DUCHESS OF SOMERSET'S HOSPITAL**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

---

**1. ACCOUNTING POLICIES (continued)**

**f. Other Grants**

The other grants received related to the cost of development of the biomass boiler. These are recognised as income on a systematic basis over the expected useful life of the asset.

**g. Capitalisation of interest**

Interest on the mortgage loan financing a development is capitalised up to the date of practical completion of the scheme.

**h. Investments**

Investments held as fixed assets are revalued at their mid-market value at the Balance Sheet date and the gain or loss taken to the Statement of comprehensive income.

**i. Repairs and servicing**

The Duchess of Somerset's Hospital has established a regular programme of repairs and servicing. Costs are charged to the Income and expenditure account in the year in which they are incurred.

**j. Work to existing housing properties**

Works which result in an enhancement of economic benefit to properties are deemed to be improvements and are capitalised. Expenditure is also capitalised where it represents the replacement or restoration of an item that has been treated separately and depreciated over its economic life.

**k. Unrestricted funds**

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the Charity without further specified purpose and are available as general funds.

**l. Designated reserves**

Designated reserves are unrestricted funds earmarked by the Trustees for particular purposes.

**m. Restricted funds**

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

**n. Extraordinary repairs reserve**

The extraordinary repairs reserve represents amounts set aside to carry out major repairs on Housing and amounts set aside for cyclical maintenance to meet costs in excess of budgeted expenditure.

**o. Convalescent and benefits fund**

This fund represents amounts set aside to assist residents in need of short term convalescent/nursing care or ex-residents in need of assistance towards the costs of nursing home fees.

**THE DUCHESS OF SOMERSET'S HOSPITAL**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**1. ACCOUNTING POLICIES (continued)**

**p. Value added tax**

The Duchess of Somerset's Hospital is not registered for VAT. In these Financial Statements, where applicable, expenditure is shown inclusive of VAT.

**q. Apportionment of expenses**

Costs relating specifically to the provisions of Services, Management and Repairs are apportioned directly to these headings in the Income and Expenditure account. Finance and Administration (Overhead) costs are apportioned between Management and Service Costs on the basis that 50% of the Finance and Administration Costs are attributable to Service Costs and the balance to Management.

**2. TAXATION**

The Duchess of Somerset's Hospital is a registered Charity and is therefore exempt from liability to taxation on its Income and Capital Gains.

**3. PAYMENT TO TRUSTEES**

The Senior Executives of the charity are its Trustees and the Steward to the Trustees.

No payment of fees or other remuneration were made during the year to any Trustee.

Expenses totalling £1,559 (2022 - £3,223) have been reimbursed to Trustees during the year.

**4. EMPLOYEE INFORMATION**

	<b>2023</b>	<b>2022</b>
	<b>No.</b>	<b>No.</b>
The average weekly number of persons employed during the year was -		
Warden	1	1
Steward and other staff	1	1
	<u>          </u>	<u>          </u>
	<b>£</b>	<b>£</b>
Wages and salaries	60,178	50,911
Social security costs	6,229	4,996
Pension costs	1,805	1,527
	<u>          </u>	<u>          </u>
	<u>68,212</u>	<u>57,434</u>

No employee receives emoluments in excess of £60,000.

**THE DUCHESS OF SOMERSET'S HOSPITAL**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**5. INTEREST RECEIVABLE AND OTHER INCOME**

	<b>2023</b>	<b>2022</b>
	£	£
Bank deposit interest	443	133
Investment income	21,583	22,907
	22,026	23,040
Rent from land	800	755
Other income	11,374	8,546
	34,200	32,341

Investments are managed on a total return basis.

**6. DEFICIT ON ORDINARY ACTIVITIES BEFORE TAXATION**

	<b>2023</b>	<b>2022</b>
	£	£
Deficit on Ordinary activities before taxation is stated after charging -		
Depreciation - Tangible fixed assets	37,032	37,661
Independent examiners fees (including VAT)		
- In their capacity as independent examiners	1,900	1,845
- In respect of other services	7,996	7,433
	37,032	37,661

**7. HOUSING PROPERTIES - Freehold**

	<b>Housing Properties £</b>
<b>COST</b>	
At 1 January 2023 as restated	800,019
Additions	-
At 31 December 2023	800,019
<b>DEPRECIATION</b>	
At 1 January 2023 as restated	179,031
Charge for the year	8,000
At 31 December 2023	187,031
<b>NET BOOK VALUE</b>	
At 31 December 2023	612,988
At 31 December 2022 as restated	620,988

**THE DUCHESS OF SOMERSET'S HOSPITAL**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**7. HOUSING PROPERTIES - Freehold (continued)**

The Duchess of Somerset's Hospital was constructed in the Eighteenth Century. There is no record of the original cost and no value is attributed thereto. The above amounts relate to improvements carried out since 1981, which were funded by Housing Corporation Grants of £395,900 and Residual Mortgage Loans of £37,466 which have now been fully repaid. The balance was provided from the Duchess of Somerset's Hospital's own resources.

**8. OTHER FIXED ASSETS**

	Plant and machinery £	Fixtures and fittings £	Total £
<b>COST</b>			
At 1 January 2023 as restated	327,927	103,947	431,874
Additions	-	787	787
Disposals	-	(10,162)	(10,162)
At 31 December 2023	327,927	94,572	422,499
<b>DEPRECIATION</b>			
At 1 January 2023 as restated	240,938	45,822	286,760
Charge for the year	21,634	7,398	29,032
Disposals	-	(9,408)	(9,408)
At 31 December 2023	262,572	43,812	306,384
<b>NET BOOK VALUE</b>			
At 31 December 2023	65,355	50,760	116,115
At 31 December 2022	86,989	58,125	145,114

**9. FIXED ASSET INVESTMENTS**

	2023 £	2022 £	2023 £	2022 £
	Market value		Cost	
Share portfolio at 31 December	682,878	675,259	450,027	507,604
Cash held	23,778	26,058	23,778	26,058
	706,656	701,317	473,805	533,662

These listed investments are managed on a total return basis by Charles Stanley & Co. Limited.

**THE DUCHESS OF SOMERSET'S HOSPITAL**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**10. DEBTORS**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Arrears of maintenance contributions	2,309	2,164
Prepayments and accrued income	32,921	24,393
Other debtors	5,414	3,529
	<u>40,644</u>	<u>30,086</u>

**11. CASH AT BANK AND IN HAND & CASH EQUIVALENT**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
General funds	10,092	13,556
Extraordinary repair fund	35,251	39,893
Convalescent and benefit fund	6,749	6,749
	<u>52,092</u>	<u>60,198</u>

**12. CREDITORS: Amounts falling due within one year**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Maintenance contributions received in advance	36	14
Accruals	21,390	31,348
Other creditors	3,164	3,398
Deferred capital grants re property	3,960	3,960
Deferred capital grants re plant	2,880	2,880
	<u>31,430</u>	<u>41,600</u>

**13. CREDITORS: Amounts falling due after more than one year**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Deferred capital grants re property	234,434	238,394
Deferred capital grants re plant	2,892	5,772
	<u>237,326</u>	<u>244,166</u>

**THE DUCHESS OF SOMERSET'S HOSPITAL**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**14. UNRESTRICTED GENERAL FUND**

	Income & Expenditure Account £	<u>Designated Funds</u>		2023 £
		Extra- ordinary Repairs Reserve £	Convales- cent and Benefits Fund £	
Balance at 1 January 2023	180,109	530,021	6,749	716,879
Deficit for the year	(73,993)	-	-	(73,993)
Transfer to Investment realised reserve	(1,952)	-	-	(1,952)
Transfer from Income & expenditure account	29,803	(29,803)	-	-
<b>Balance at 31 December 2023</b>	<b>133,967</b>	<b>500,218</b>	<b>6,749</b>	<b>640,934</b>

Transfer from/(to) Income & expenditure account				
Repair provision transfers		41,000	-	41,000
Investment income		21,583	-	21,583
Investment expenses		(2,339)	-	(2,339)
Less: Expenditure		(90,047)	-	(90,047)
		(29,803)	-	(29,803)

	Income & Expenditure Account £	<u>Designated Funds</u>		2022 £
		Extra- ordinary Repairs Reserve £	Convales- cent and Benefits Fund £	
Balance at 1 January 2022	208,042	508,817	6,749	723,608
Deficit for the year	(7,695)	-	-	(7,695)
Transfer to Investment realised reserve	966	-	-	966
Transfer from Income & expenditure account	(21,204)	21,204	-	-
<b>Balance at 31 December 2022</b>	<b>180,109</b>	<b>530,021</b>	<b>6,749</b>	<b>716,879</b>

Transfer from/(to) Income & expenditure account				
Repair provision transfers		41,000	-	41,000
Investment income		22,907	-	22,907
Investment expenses		(2,379)	-	(2,379)
Less: Expenditure		(40,324)	-	(40,324)
		21,204	-	21,204

**THE DUCHESS OF SOMERSET'S HOSPITAL**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

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**15 CAPITAL COMMITMENTS**

At 31 December 2023 and 2022, there were no known capital commitments.

**16 CONTINGENT LIABILITIES**

At 31 December 2023 and 2022, there were no known contingent liabilities.

**17 PAYMENTS TO CREDITORS**

Payments are made to creditors within 30 days of receipt of invoice.

**18 UTILISATION OF COTTAGES**

The charity operates 50 units of accommodation, 49 of which are occupied by residents with 1 unit being available for use as a guest flat for residents' visitors.

**19 RELATED PARTIES**

The Charity is supplied with electricity via a farm buyers group of which Mr M Gibson, a trustee, is a member. Invoices are received and paid by Mr M Gibson and then recharged to the Charity. The costs recharged in the year were £24,179 (2022 - £14,192). During the year an overpayment of £494 (2022: nil) was made to Mr Gibson which has been repaid to the Charity in 2024.

**THE DUCHESS OF SOMERSET'S HOSPITAL**

**APPORTIONMENT OF EXPENSES**

**FOR THE YEAR ENDED 31 DECEMBER 2023**

	2023			2022		
	Total £	Services £	Manage - ment £	Total £	Services £	Manage - ment £
<b>SALARIES AND STAFF EXPENSES</b>						
Warden (75% : 25%)	33,844	25,383	8,461	30,689	23,017	7,672
Steward & secretarial	34,368	-	34,368	26,745		26,745
Chaplain	3,759	3,759	-	3,744	3,744	
Warden call cover	6,880	6,880	-	7,363	7,363	
<b>ESTABLISHMENT EXPENSES</b>						
Central heating fuel	79,156	79,156	-	66,117	66,117	
Property insurance	11,665	11,665	-	10,313	10,313	
General and water rates	4,885	4,885	-	2,167	2,167	
Electricity charges	23,404	23,404	-	14,682	14,682	
Garden expenses	17,422	17,422	-	17,098	17,098	
Website and computer costs	372	372	-	1,432	1,432	
<b>GENERAL EXPENSES</b>						
Convalescent contributions etc.	2,450	2,450	-	3,784	3,784	
Telephone charges less receipts	2,853	1,427	1,426	3,312	1,656	1,656
Accountancy	9,896	4,948	4,948	9,278	4,639	4,639
Administration and stationery	795	398	397	299	150	149
General expenses	4,256	2,128	2,128	6,199	3,100	3,099
Professional fees	9,097	4,549	4,548	4,233	2,117	2,116
Trustee expenses	600	300	300	600	300	300
<b>TOTAL EXPENSES</b>	<b>245,702</b>	<b>189,126</b>	<b>56,576</b>	<b>208,055</b>	<b>161,679</b>	<b>46,376</b>

**THE DUCHESS OF SOMERSET'S HOSPITAL**

England & Wales - Charity number 202650

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# Accounts

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**THE DUCHESS OF SOMERSET'S HOSPITAL**

**REGISTERED CHARITY NO. 202650**

**HOMES ENGLAND NO. A3036**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31 DECEMBER 2022**

**THE DUCHESS OF SOMERSET'S HOSPITAL**

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**YEAR ENDED 31 DECEMBER 2022**

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# THE DUCHESS OF SOMERSET'S HOSPITAL

## SIGNIFICANT INFORMATION

YEAR ENDED 31 DECEMBER 2022

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### Trustees

Chairman	His Grace the Duke of Somerset FRICS
Chairman - Executive Committee	Mrs A E Oliver <sup>123</sup>
Chairman - Finance and Building Committees	Mr M Gibson <sup>124</sup>
Chairman - Pastoral Committee	Mrs A E Oliver <sup>123</sup>
Other trustees	Mr C Cooke <sup>124</sup> Mr R Nocton <sup>14</sup> Dr R Owen-Jones <sup>13</sup> Mrs J Cowley <sup>1</sup> Mr N Loweth <sup>1</sup> (resigned 19 April 2022) Mrs H Geary <sup>12</sup> Mrs S Cranstone <sup>1</sup> (appointed 1 September 2022)

<sup>1</sup> Executive Committee Members

<sup>2</sup> Finance Committee Members

<sup>3</sup> Pastoral Committee Members

<sup>4</sup> Building Committee Members

### Officers

Steward Mrs L Caterer

Warden Mrs E Holborow

### Address

Duchess of Somerset's Hospital  
Froxfield  
Wiltshire  
SN8 3LA

Charity Number 202650

Homes England Number A3036

**THE DUCHESS OF SOMERSET'S HOSPITAL**

**SIGNIFICANT INFORMATION (CONTINUED)**

**YEAR ENDED 31 DECEMBER 2022**

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**Main Advisers**

Bankers	CAF Bank Ltd
Accountants and Independent Examiner	David Owen & Co Chartered Accountants 126 High Street Marlborough Wiltshire SN8 1LZ
Solicitors	The Merriman Partnership Hughenden House 107 High Street Marlborough Wiltshire, SN8 1LN
Investment Advisers	Charles Stanley & Co. Limited 25 Luke Street London EC2A 4AR

**Other Advisers**

Architect and Building Consultant	Sidleys Chartered Surveyors 6 King Edward Street Oxford, OX1 4JL
General advice re Listed Buildings	Almshouse Association Billingbear Lodge Carters Hill Wokingham RG40 5RU
Water Services Consultants	Whatley & Co (Pewsey) Limited High Trees Salisbury Road Pewsey SN9 5NZ

# THE DUCHESS OF SOMERSET'S HOSPITAL

## TRUSTEES' REPORT

YEAR ENDED 31 DECEMBER 2022

---

The Trustees present their report and accounts for the year ended 31 December 2022.

### **Structure, Governance and Management**

#### **Governing document**

The Charity was founded by the Duchess of Somerset in 1686 and is registered as a Charity with the Charity Commission under a trust deed dated 3 December 1926 - with variations on 26 January 1945, 21 March 1958, 28 September 1966 and 18 January 1991.

The Charity is also registered with Homes England and is a member of the National Association of Almshouses.

#### **Recruitment and appointment of Trustees**

When considering new Trustees, regard is given to the range of skills held by Trustees so as to encompass a broad mix of financial, legal, property, business and caring skills.

When appointing new Trustees, the Trustees have regard to the guidance issued by the Charity Commission and the Homes England for their induction and training.

#### **Organisation structure**

There are half yearly meetings of the full Trustees with half yearly Executive Committee meetings and a Finance Committee which meets twice a year. Ad hoc subcommittees are set up for specific projects, or Trustees with specific knowledge are requested to write papers for Trustees consideration.

Day to day administration matters are dealt with by the Steward and the Chairman of the Executive Committee.

#### **Risk management**

The Trustees have conducted a review of the major risks to which the Charity is exposed. A risk register has been established and is updated at least annually. Where appropriate, systems or procedures have been established to mitigate the risks the Charity faces. The Trustees consider one of the Charity's main risks to be the health and safety of its residents. To this end a detailed health and safety assessment of the property and grounds was carried out and has been used to develop systems and procedures so as to minimise the risk to residents wherever possible.

#### **Principal activities, aims and organisation**

The Charity provides sheltered self-contained accommodation to able bodied women normally between the ages of 55 and 80 on initial occupation.

The Charity employs a resident warden. It also operates a system of home visits to residents and arranges for visiting clergy to perform services in the Charity's chapel.

The Trustees operate a discretionary convalescent fund to assist residents in need of short term convalescent/nursing care or ex-residents in need of assistance towards the cost of nursing home fees.

The Trustees have paid due regard to the Charity Commission's guidance on public benefit in deciding what activities the Charity should undertake.

# THE DUCHESS OF SOMERSET'S HOSPITAL

## TRUSTEES' REPORT (continued)

YEAR ENDED 31 DECEMBER 2022

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### Developments, activities and achievements during the year

The College has had a fulfilling year. Only one cottage was vacated during the year and a new resident was appointed. After major projects in the past two years, replacing the water system and refurbishing the Chapel, maintenance was more routine. During 2022, £40,324 was spent on non routine repairs and maintenance compared to £54,506 in the previous year. We also replaced the call system at a cost of £35,000 and bought a new back-up generator. Due to the very hot and dry summer we switched off our biomass boiler as we suffered from smoke billowing around. We increased the height of the chimney and since then the boiler has been working well. The Renewable Heat Incentive payment has more than covered the costs of work.

The College Wood suffered in the drought and the full impact of this will only be clear in Spring 2023. The Woodland Trust has stated it will continue to support the development of the wood. The permissive footpath has been much used by the village and residents. The gardens and Orchard are beautifully tended by the groundsman and there are plans to plant more trees in the next few years.

Operational costs, excluding non routine maintenance, were £292,463 compared to £248,472 in 2021. The Charity showed an operating deficit of £43,531 compared to a deficit in 2021 of £18,230. Investment income fell slightly to £22,907 (2021 - £23,094). After investment income there was a deficit for the year of £7,695 compared to a surplus in 2021 of £24,096. The investment portfolio fell from £759,690 to £701,317. Our total comprehensive deficit for the year was £62,997 compared to a surplus in 2021 of £101,249.

### Trustees

The Trustees are dedicated to the wellbeing of the Charity's residents and its building. The Trustees have a diverse set of skills and operate a number of sub committees dedicated to different aspects of the life of the Charity. There are currently 10 trustees. Mr Nicholas Loweth resigned on 19th April 2022 and Mrs Susan Cranstone was appointed on the 1st September 2022. The Trustees would like to thank Mr Loweth for his contribution.

### Reserves policy

The Trustees believe that its Free Reserves, that is funds not committed towards future repairs reserves or invested in Tangible Fixed Assets, should equate to no less than 6 months operational expenditure.

### Investment policy

In 2009 the Trustees reviewed the Charity's investment strategy and concluded that the investments should be managed on a total return basis. The Trustees consider this approach to still be appropriate.

The Trustees believe that in the light of the current investment returns, possible future repair requirements and remaining costs in relation to the replacement boiler, that its current cash balances should continue to be held on short term deposits.

Charles Stanley & Co. Limited act as independent Financial Advisors to the Trustees.

# THE DUCHESS OF SOMERSET'S HOSPITAL

## TRUSTEES' REPORT (continued)

YEAR ENDED 31 DECEMBER 2022

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### Trustees' responsibility for the accounts

The Trustees are responsible for preparing the Trustees' Annual Report and financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (UK GAAP), including FRS102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

The law applicable to Charities and Housing Association's in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, of the charity for that period. In preparing the financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the applicable Charities SORP and Housing 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Trustees are responsible for keeping proper accounting records which are sufficient to show and explain the Charity's transactions and to disclose with reasonable accuracy at any time the financial position of the Charity, and to enable them to ensure that any statements of account comply with the Charities Act 2011, the applicable Charity (Accounts and Reports) Regulations and the Housing SORP 2018: Statement of Recommended Practice for Social Housing issued by the National Housing Federation. They are also responsible for safeguarding the assets of the Charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the Charity and financial information included on the Charity's website.

Approved by the Trustees on 3 April 2023 and signed on their behalf by:



M Gibson  
Chairman - Finance Committee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF  
THE DUCHESS OF SOMERSET'S HOSPITAL  
YEAR ENDED 31 DECEMBER 2022**

---

I report to the trustees on my examination of the financial statements of The Duchess of Somerset's Hospital (the charity) for the year ended 31 December 2022.

**Responsibilities and basis of report**

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act) and the Housing SORP 2018: Statement of Recommended Practice for Social Housing issued by the National Housing Federation.

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

**Independent examiner's statement**

The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of ICAEW.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



**Mrs A R Atkins BSc FCA  
David Owen & Co  
Chartered Accountants  
126 High Street  
Marlborough  
Wiltshire SN8 1LZ**

**Date:** 3/1/23

**THE DUCHESS OF SOMERSET'S HOSPITAL**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

	Notes	2022		2021	
		£	£	£	£
<b>TURNOVER</b>					
<b>Income</b>					
Maintenance contributions from residents			263,424		255,192
Less: Losses from voids			(3,620)		(12,325)
			259,804		242,867
<b>OPERATING INCOME</b>			29,452		41,881
<b>OPERATING EXPENDITURE</b>					
Services		161,679		135,106	
Management		46,376		41,205	
Repairs and servicing		46,747		39,336	
Extraordinary maintenance		40,324		54,506	
Depreciation		37,661		32,825	
Deficit / (surplus) on disposal of tangible assets		-		-	
			(332,787)		(302,978)
<b>OPERATING SURPLUS / (DEFICIT)</b>			(43,531)		(18,230)
Surplus / (deficit) on investment disposals			(966)		6,184
Release of deferred capital grant re property			3,960		3,960
Release of deferred capital grant re plant			2,880		2,880
Surplus / (Deficit) on ordinary activities before interest and taxation			(37,657)		(5,206)
Interest receivable and other income	5		32,341		31,789
Investment expenses			(2,379)		(2,487)
<b>SURPLUS / (DEFICIT) FOR THE YEAR</b>	6		(7,695)		24,096
Unrealised surplus/(deficit) on investments			(55,302)		77,153
<b>TOTAL COMPREHENSIVE INCOME / (DEFICIT) FOR THE YEAR</b>			(62,997)		101,249

The Duchess of Somerset's Hospital has not acquired or discontinued any fundamental activities during the above two financial years.

**THE DUCHESS OF SOMERSET'S HOSPITAL**  
**STATEMENT OF CHANGES IN RESERVES**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

	<b>Investments revaluation reserve £</b>	<b>Investments realised reserve £</b>	<b>Unrestricted general fund £</b>	<b>2022 £</b>
Brought forward as at 1 January 2022	227,609	383,717	723,608	1,334,934
Surplus for the year	-	-	(7,695)	(7,695)
Transfer from Investments revaluation reserve	(4,652)	4,652	-	-
Transfer to Investment realised reserve	-	(966)	966	-
Unrealised loss in the year	(55,302)	-	-	(55,302)
Carried forward as at 31 December 2022	167,655	387,403	716,879	1,271,937

**Note 14**

	<b>Investments revaluation reserve £</b>	<b>Investments realised reserve £</b>	<b>Unrestricted general fund £</b>	<b>2021 £</b>
Brought forward as at 1 January 2021 as previously stated	155,768	372,222	536,062	1,064,052
Prior year adjustments (note 15)	-	-	169,633	169,633
Brought forward as at 1 January 2021 as restated	155,768	372,222	705,695	1,233,685
Surplus for the year	-	-	24,096	24,096
Transfer from Investments revaluation reserve	(5,312)	5,312	-	-
Transfer to Investment realised reserve	-	6,183	(6,183)	-
Unrealised loss in the year	77,153	-	-	77,153
Carried forward as at 31 December 2021	227,609	383,717	723,608	1,334,934


**THE DUCHESS OF SOMERSET'S HOSPITAL**

**STATEMENT OF FINANCIAL POSITION**

**AS AT 31 DECEMBER 2022**

	Notes	2022		2021	
		£	£	£	£
<b>FIXED ASSETS</b>					
Housing properties	7		620,988		628,988
Other fixed assets					
Cost	8	431,874		372,171	
Less: Accumulated depreciation	8	(286,760)		(257,099)	
			145,114		115,072
Investments	9		701,317		759,690
			<u>1,467,419</u>		<u>1,503,750</u>
<b>CURRENT ASSETS</b>					
Trade and other debtors	10	30,086		57,057	
Cash at bank and in hand	11	60,198		53,557	
			<u>90,284</u>		<u>110,614</u>
Less:					
Creditors: Amounts falling due within one year	12	(41,600)		(28,423)	
<b>NET CURRENT ASSETS</b>			48,684		82,191
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>1,516,103</u>		<u>1,585,941</u>
<b>CREDITORS: Amounts falling due after more than one year</b>	13		(244,166)		(251,007)
<b>NET ASSETS</b>			<u><u>1,271,937</u></u>		<u><u>1,334,934</u></u>
<b>CAPITAL AND RESERVES</b>					
Income and expenditure account	14		716,879		723,608
Investments realised reserve	Page 8		387,403		383,717
Investments revaluation reserve	Page 8		167,655		227,609
			<u>1,271,937</u>		<u>1,334,934</u>

The financial statements on pages 7 to 19 were approved by the Trustees on 3 April 2023 and signed on their behalf by:



His Grace The Duke of Somerset  
Chairman



M Gibson  
Chairman - Finance Committee

**THE DUCHESS OF SOMERSET'S HOSPITAL**

**STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Net cash generated from operating activities (See Note 1)</b>	41,199	(18,122)
<b>Cash flow from investing activities</b>		
Purchase of tangible fixed assets	(59,703)	(169,781)
Proceeds from sale of fixed assets	-	-
Purchase of investments	(27,236)	(18,179)
Proceeds from sale of investments	53,444	51,380
Investment income received	23,040	23,094
<b>Net change in cash and cash equivalents</b>	30,744	(131,608)
<b>Cash and cash equivalents at beginning of the year</b>	55,512	187,120
<b>Cash and cash equivalents at end of the year</b>	86,256	55,512

**Note 1**

**Cash flow from operating activities**

Total comprehensive (deficit) / income for the year	(62,997)	101,249
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**Adjustment for non-cash items:**

Unrealised (surplus)/deficit on investment	55,302	(77,153)
Depreciation of tangible fixed assets	37,661	32,825
(Profit)/loss on disposal of tangible assets	-	-
Amortisation of government grants	(6,840)	(6,840)
Decrease/(Increase) in trade and other debtors	26,971	(44,944)
Increase/(decrease) in trade creditors and other creditors	13,176	6,019

**Adjustments for investing or financing activities:**

(Profit)/loss on disposal of investments	966	(6,184)
Investment income receivable	(23,040)	(23,094)
	41,199	(18,122)
	41,199	(18,122)

**Note 2**

**Cash and cash equivalents**

Cash included in investments	26,058	1,955
Cash at bank and in hand	60,198	53,557
	86,256	55,512
	86,256	55,512

# THE DUCHESS OF SOMERSET'S HOSPITAL

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2022

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#### 1. ACCOUNTING POLICIES

The Financial Statements have been prepared in accordance with the Statement of Recommended Practice (SORP): Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019, the Charities Act 2011 and the Housing SORP 2018: Statement of Recommended Practice for Social Housing issued by the National Housing Federation.

The Charity constitutes a public benefit entity as defined by FRS 102.

##### a. Basis of accounting and going concern

The Financial Statements are prepared on the historical cost basis of accounting.

At the time of approving the financial statements the trustees have a reasonable expectation that the charity has adequate resources to continue for the foreseeable future. The trustees are mindful that these financial statements have been approved at a time when the coronavirus pandemic is affecting many charities. However as the charity is not reliant on donations this is not considered to result in any material uncertainties.

##### b. Turnover

Turnover represents maintenance contributions receivable.

##### c. Housing properties

The Duchess of Somerset 's Hospital was constructed in the Eighteenth Century and there is no record of the original cost and no value is attributed thereto. The Housing Properties cost relates to improvements carried out since 1981 which were funded by a Housing Corporation Grant; a mortgage loan from the Housing Corporation secured by a charge on housing, land and buildings and from the Duchess of Somerset's Hospital's own resources. Depreciation is charged at 1% per annum on the straight line basis so as to write the cost of improvements off over their expected useful economic lives.

##### d. Other fixed assets

Tangible fixed assets other than housing properties are stated at cost.

Depreciation is calculated so as to write off the cost of other fixed assets on the reducing balance basis over the expected useful economic lives of the assets concerned. The principal annual rate for this purpose which is consistent with that of the previous year's is:

Fixtures and fittings	15% per annum
Plant and machinery	Over 15 years

##### e. Social Housing Grant

Social Housing Grants (SHG) were paid by the Housing Corporation to reduce the cost of development. These are recognised as income on a systematic basis over the expected useful life of the housing property structure. SHG are repayable under certain circumstances, primarily following the sale of the property but will normally be restricted to net proceeds of sale.

**THE DUCHESS OF SOMERSET'S HOSPITAL**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

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**1. ACCOUNTING POLICIES (continued)**

**f. Other Grants**

The other grants received related to the cost of development of the biomass boiler. These are recognised as income on a systematic basis over the expected useful life of the asset.

**g. Capitalisation of interest**

Interest on the mortgage loan financing a development is capitalised up to the date of practical completion of the scheme.

**h. Investments**

Investments held as fixed assets are revalued at their mid-market value at the Balance Sheet date and the gain or loss taken to the Statement of comprehensive income.

**i. Repairs and servicing**

The Duchess of Somerset's Hospital has established a regular programme of repairs and servicing. Costs are charged to the Income and expenditure account in the year in which they are incurred.

**j. Work to existing housing properties**

Works which result in an enhancement of economic benefit to properties are deemed to be improvements and are capitalised. Expenditure is also capitalised where it represents the replacement or restoration of an item that has been treated separately and depreciated over its economic life.

**k. Unrestricted funds**

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the Charity without further specified purpose and are available as general funds.

**l. Designated reserves**

Designated reserves are unrestricted funds earmarked by the Trustees for particular purposes.

**m. Restricted funds**

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

**n. Extraordinary repairs reserve**

The extraordinary repairs reserve represents amounts set aside to carry out major repairs on Housing and amounts set aside for cyclical maintenance to meet costs in excess of budgeted expenditure.

**o. Convalescent and benefits fund**

This fund represents amounts set aside to assist residents in need of short term convalescent/nursing care or ex-residents in need of assistance towards the costs of nursing home fees.

**THE DUCHESS OF SOMERSET'S HOSPITAL**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

**1. ACCOUNTING POLICIES (continued)**

**p. Value added tax**

The Duchess of Somerset's Hospital is not registered for VAT. In these Financial Statements, where applicable, expenditure is shown inclusive of VAT.

**q. Apportionment of expenses**

Costs relating specifically to the provisions of Services, Management and Repairs are apportioned directly to these headings in the Income and Expenditure account. Finance and Administration (Overhead) costs are apportioned between Management and Service Costs on the basis that 50% of the Finance and Administration Costs are attributable to Service Costs and the balance to Management.

**2. TAXATION**

The Duchess of Somerset's Hospital is a registered Charity and is therefore exempt from liability to taxation on its Income and Capital Gains.

**3. PAYMENT TO TRUSTEES**

The Senior Executives of the charity are its Trustees and the Steward to the Trustees.

No payment of fees or other remuneration were made during the year to any Trustee.

Expenses totalling £3,223 (2021 - £5,351) have been reimbursed to Trustees during the year.

**4. EMPLOYEE INFORMATION**

	<b>2022</b>	<b>2021</b>
	<b>No.</b>	<b>No.</b>
The average weekly number of persons employed during the year was -		
Warden	1	1
Steward and other staff	1	1
	£	£
Wages and salaries	50,911	44,687
Social security costs	4,996	3,863
Pension costs	1,527	1,341
	57,434	49,891

No employee receives emoluments in excess of £60,000.

**THE DUCHESS OF SOMERSET'S HOSPITAL**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

**5. INTEREST RECEIVABLE AND OTHER INCOME**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Bank deposit interest	133	-
Investment income	22,907	23,094
	23,040	23,094
Rent from land	755	910
Other income	8,546	7,785
	32,341	31,789

Investments are managed on a total return basis.

**6. DEFICIT ON ORDINARY ACTIVITIES BEFORE TAXATION**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Deficit on Ordinary activities before taxation is stated after charging -		
Depreciation - Tangible fixed assets	37,661	32,825
Independent examiners fees (including VAT)		
- In their capacity as independent examiners	1,845	1,800
- In respect of other services	7,433	7,250
	46,939	41,875

**7. HOUSING PROPERTIES - Freehold**

	<b>Housing Properties £</b>
<b>COST</b>	
At 1 January 2022 as restated	800,019
Additions	-
At 31 December 2022	800,019
<b>DEPRECIATION</b>	
At 1 January 2022 as restated	171,031
Charge for the year	8,000
At 31 December 2022	179,031
<b>NET BOOK VALUE</b>	
At 31 December 2022	620,988
At 31 December 2021 as restated	628,988

**THE DUCHESS OF SOMERSET'S HOSPITAL**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

**7. HOUSING PROPERTIES - Freehold (continued)**

The Duchess of Somerset's Hospital was constructed in the Eighteenth Century. There is no record of the original cost and no value is attributed thereto. The above amounts relate to improvements carried out since 1981, which were funded by Housing Corporation Grants of £395,900 and Residual Mortgage Loans of £37,466 which have now been fully repaid. The balance was provided from the Duchess of Somerset's Hospital's own resources.

**8. OTHER FIXED ASSETS**

	Plant and machinery £	Fixtures and fittings £	Total £
<b>COST</b>			
At 1 January 2022 as restated	309,256	62,915	372,171
Additions	18,671	41,032	59,703
Disposals	-	-	-
At 31 December 2022	327,927	103,947	431,874
<b>DEPRECIATION</b>			
At 1 January 2022 as restated	219,304	37,795	257,099
Charge for the year	21,634	8,027	29,661
Disposals	-	-	-
At 31 December 2022	240,938	45,822	286,760
<b>NET BOOK VALUE</b>			
At 31 December 2022	86,989	58,125	145,114
At 31 December 2021	89,952	25,120	115,072

**9. FIXED ASSET INVESTMENTS**

	2022 £	2021 £	2022 £	2021 £
	Market value		Cost	
Share portfolio at 31 December	675,259	757,735	507,604	530,126
Cash held	26,058	1,955	26,058	1,955
	701,317	759,690	533,662	532,081

These listed investments are managed on a total return basis by Charles Stanley & Co. Limited.

**THE DUCHESS OF SOMERSET'S HOSPITAL**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

**10. DEBTORS**

	<b>2022</b>	<b>2021</b>
	£	£
Arrears of maintenance contributions	2,164	1,958
Prepayments and accrued income	24,393	51,353
Other debtors	3,529	3,746
	30,086	57,057
	30,086	57,057

**11. CASH AT BANK AND IN HAND & CASH EQUIVALENT**

	<b>2022</b>	<b>2021</b>
	£	£
General funds	13,556	13,584
Extraordinary repair fund	39,893	33,224
Convalescent and benefit fund	6,749	6,749
	60,198	53,557
	60,198	53,557

**12. CREDITORS: Amounts falling due within one year**

	<b>2022</b>	<b>2021</b>
	£	£
Maintenance contributions received in advance	14	661
Accruals	31,348	19,096
Other creditors	3,398	1,827
Deferred capital grants re property	3,960	3,959
Deferred capital grants re plant	2,880	2,880
	41,600	28,423
	41,600	28,423

**13. CREDITORS: Amounts falling due after more than one year**

	<b>2022</b>	<b>2021</b>
	£	£
Deferred capital grants re property	238,394	242,355
Deferred capital grants re plant	5,772	8,652
	244,166	251,007
	244,166	251,007

**THE DUCHESS OF SOMERSET'S HOSPITAL**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

**14. UNRESTRICTED GENERAL FUND**

	Income & Expenditure Account £	Designated Funds		2022 £
		Extra- ordinary Repairs Reserve £	Convales- cent and Benefits Fund £	
Balance at 1 January 2022	208,042	508,817	6,749	723,608
Surplus for the year	(7,695)	-	-	(7,695)
Transfer to Investment realised reserve	966	-	-	966
Transfer from Income & expenditure account	(21,204)	21,204	-	-
<b>Balance at 31 December 2022</b>	<b>180,109</b>	<b>530,021</b>	<b>6,749</b>	<b>716,879</b>

Transfer from/(to) Income & expenditure account				
Repair provision transfers		41,000	-	41,000
Investment income		22,907	-	22,907
Investment expenses		(2,379)	-	(2,379)
Less: Expenditure		(40,324)	-	(40,324)
		<b>21,204</b>	<b>-</b>	<b>21,204</b>

	Income & Expenditure Account £	Designated Funds		2021 £
		Extra- ordinary Repairs Reserve £	Convales- cent and Benefits Fund £	
Balance at 1 January 2021	197,230	501,716	6,749	705,695
Deficit for the year	24,096	-	-	24,096
Transfer to Investment realised reserve	(6,183)	-	-	(6,183)
Transfer from Income & expenditure account	(7,101)	7,101	-	-
<b>Balance at 31 December 2021</b>	<b>208,042</b>	<b>508,817</b>	<b>6,749</b>	<b>723,608</b>

Transfer from/(to) Income & expenditure account				
Repair provision transfers		41,000	-	41,000
Investment income		23,094	-	23,094
Investment expenses		(2,487)	-	(2,487)
Less: Expenditure		(54,506)	-	(54,506)
		<b>7,101</b>	<b>-</b>	<b>7,101</b>

**THE DUCHESS OF SOMERSET'S HOSPITAL**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

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**15 CAPITAL COMMITMENTS**

At 31 December 2022 and 2021, there were no known capital commitments.

**16 CONTINGENT LIABILITIES**

At 31 December 2022 and 2021, there were no known contingent liabilities.

**17 PAYMENTS TO CREDITORS**

Payments are made to creditors within 30 days of receipt of invoice.

**18 UTILISATION OF COTTAGES**

The charity operates 50 units of accommodation, 49 of which are occupied by residents with 1 unit being available for use as a guest flat for residents' visitors.

**19 RELATED PARTIES**

The College is supplied with electricity via a farm buyers group of which Mr M Gibson, a trustee, is a member. Invoices are received and paid by Mr M Gibson and then recharged to the College. The costs recharged in the year were £14,192 (2021 - £10,883).

**THE DUCHESS OF SOMERSET'S HOSPITAL**

**APPORTIONMENT OF EXPENSES**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

	2022			2021		
	Total £	Services £	Manage - ment £	Total £	Services £	Manage - ment £
<b>SALARIES AND STAFF EXPENSES</b>						
Warden (75% : 25%)	30,689	23,017	7,672	27,560	20,670	6,890
Steward & secretarial	26,745	-	26,745	22,331		22,331
Chaplain	3,744	3,744	-	3,184	3,184	
Warden call cover	7,363	7,363	-	7,851	7,851	
<b>ESTABLISHMENT EXPENSES</b>						
Central heating fuel	66,117	66,117	-	41,740	41,740	
Property insurance	10,313	10,313	-	10,191	10,191	
General and water rates	2,167	2,167	-	2,731	2,731	
Electricity charges	14,682	14,682	-	14,382	14,382	
Garden expenses	17,098	17,098	-	20,423	20,423	
Website and computer costs	1,432	1,432	-	351	351	
<b>GENERAL EXPENSES</b>						
Convalescent contributions etc.	3,784	3,784	-	1,597	1,597	
Telephone charges less receipts	3,312	1,656	1,656	3,575	1,788	1,787
Accountancy	9,278	4,639	4,639	9,050	4,525	4,525
Administration and stationery	299	150	149	614	307	307
General expenses	6,199	3,100	3,099	3,333	1,667	1,666
Professional fees	4,233	2,117	2,116	6,798	3,399	3,399
Trustee expenses	600	300	300	600	300	300
<b>TOTAL EXPENSES</b>	<b>208,055</b>	<b>161,679</b>	<b>46,376</b>	<b>176,311</b>	<b>135,106</b>	<b>41,205</b>



**THE DUCHESS OF SOMERSET'S HOSPITAL**

England & Wales - Charity number 202650

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# Accounts

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**THE DUCHESS OF SOMERSET'S HOSPITAL**

**REGISTERED CHARITY NO. 202650**

**HOMES ENGLAND NO. A3036**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31 DECEMBER 2021**

# THE DUCHESS OF SOMERSET'S HOSPITAL

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YEAR ENDED 31 DECEMBER 2021

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# THE DUCHESS OF SOMERSET'S HOSPITAL

## SIGNIFICANT INFORMATION

YEAR ENDED 31 DECEMBER 2021

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### Trustees

Chairman	His Grace the Duke of Somerset FRICS
Chairman - Executive Committee	Mrs A E Oliver <sup>123</sup>
Chairman - Finance and Building Committees	Mr M Gibson <sup>124</sup>
Chairman - Pastoral Committee	Mrs A Pearson-Gregory <sup>123</sup>
Other trustees	Mr C Cooke <sup>124</sup>
	Mr R Nocton <sup>4</sup>
	Dr R Owen-Jones <sup>13</sup>
	Mrs J Cowley <sup>1</sup>
	Mr N Loweth <sup>1</sup>
	Mrs H Geary <sup>2</sup>

<sup>1</sup> Executive Committee Members

<sup>2</sup> Finance Committee Members

<sup>3</sup> Pastoral Committee Members

<sup>4</sup> Building Committee Members

### Officers

Steward Mrs L Caterer

Warden Mrs E Holborow

### Address

Duchess of Somerset's Hospital  
Froxfield  
Wiltshire  
SN8 3LA

Charity Number 202650

Homes England Number A3036

THE DUCHESS OF SOMERSET'S HOSPITAL

SIGNIFICANT INFORMATION (CONTINUED)

YEAR ENDED 31 DECEMBER 2021

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**Main Advisers**

Bankers	CAF Bank Ltd
Accountants and Independent Examiner	David Owen & Co Chartered Accountants 126 High Street Marlborough Wiltshire SN8 1LZ
Solicitors	The Merriman Partnership Hughenden House 107 High Street Marlborough Wiltshire, SN8 1LN
Investment Advisers	Charles Stanley & Co. Limited 25 Luke Street London EC2A 4AR

**Other Advisers**

Architect and Building Consultant	Sidleys Chartered Surveyors 6 King Edward Street Oxford, OX1 4JL
General advice re Listed Buildings	Almshouse Association Billingbear Lodge Carters Hill Wokingham RG40 5RU
Water Services Consultants	Whatley & Co (Pewsey) Limited High Trees Salisbury Road Pewsey SN9 5NZ

# THE DUCHESS OF SOMERSET'S HOSPITAL

## TRUSTEES' REPORT

YEAR ENDED 31 DECEMBER 2021

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The Trustees present their report and accounts for the year ended 31 December 2021.

### **Structure, Governance and Management**

#### **Governing document**

The Charity was founded by the Duchess of Somerset in 1686 and is registered as a Charity with the Charity Commission under a trust deed dated 3 December 1926 - with variations on 26 January 1945, 21 March 1958, 28 September 1966 and 18 January 1991.

The Charity is also registered with Homes England and is a member of the National Association of Almshouses.

#### **Recruitment and appointment of Trustees**

When considering new Trustees, regard is given to the range of skills held by Trustees so as to encompass a broad mix of financial, legal, property, business and caring skills.

When appointing new Trustees, the Trustees have regard to the guidance issued by the Charity Commission and the Homes England for their induction and training.

#### **Organisation structure**

There are half yearly meetings of the full Trustees with half yearly Executive Committee meetings and a Finance Committee which meets twice a year. Ad hoc subcommittees are set up for specific projects, or Trustees with specific knowledge are requested to write papers for Trustees consideration.

Day to day administration matters are dealt with by the Steward and the Chairman of the Executive Committee.

#### **Risk management**

The Trustees regularly assess the major risks to which the Charity is exposed and have recently undertaken a detailed health & safety assessment of the property and grounds.

#### **Principal activities, aims and organisation**

The Charity provides sheltered self-contained accommodation to able bodied women normally between the ages of 55 and 80 on initial occupation.

The Charity employs a resident warden. It also operates a system of home visits to residents and arranges for visiting clergy to perform services in the Charity's chapel.

The Trustees operate a discretionary convalescent fund to assist residents in need of short term convalescent/nursing care or ex-residents in need of assistance towards the cost of nursing home fees.

The Trustees have paid due regard to the Charity Commission's guidance on public benefit in deciding what activities the Charity should undertake.

# THE DUCHESS OF SOMERSET'S HOSPITAL

## TRUSTEES' REPORT (continued)

YEAR ENDED 31 DECEMBER 2021

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### Developments, activities and achievements during the year

Covid continued to affect the country throughout 2021. The Steward and Warden encouraged the residents to be careful and only one known case was reported at the end of the year. It was an extremely busy year regarding new appointments and movements within the College. A total of six new residents were interviewed and appointed during the year and two residents within the College requested a move to another cottage which was agreed. Part or full refurbishment was achieved on ten cottages over the year.

The new water supply had a few teething problems during 2021, mostly within individual cottages. The biomass boiler was down for six weeks and a new contractor has now been found to service and maintain it. During 2021 £54,506 was spent on non routine repairs and maintenance compared to the restated figure of £45,761 in the previous year. The Renewable Heat Incentive payment has more than covered the costs of work required to repair the biomass boiler which has now also been linked to the newly refurbished Chapel to provide its heating via radiators. The workers who undertook this work were exemplary in the care taken to protect staff and residents. The Chapel is now fully refurbished and repurposed to provide a warm and comfortable space to hold Services and other events.

The good relationship with local contractors known and trusted by staff and residents continued throughout 2021 and all care was taken to protect themselves and residents from infection.

The College Wood appears to be doing well, as is the Orchard, both created in 2020. The gardens and Orchard are beautifully tended by the groundsman and there are plans to plant more trees in the next few years.

The permissive footpath continues to be well used and enjoyed by College residents as well as local residents.

An adjustment has been made to the prior year figures to capitalise the costs incurred in relation to the major works carried out to the College's hot and cold water supply which were previously included in Extraordinary maintenance costs. This, after allowing for the corresponding depreciation charge, reduced the prior year deficit by £169,633 and increased the fixed assets value by the same amount.

Operational costs, excluding non routine maintenance, were £244,742 compared to the restated value of £231,659 in 2020. The Charity showed an operating deficit of £14,500 compared to a restated deficit in 2020 of £23,089. Investment income increased to £23,094 (2020 - £19,139). After investment income there was a realised surplus for the year of £24,096 compared to a restated deficit in 2020 of £15,343. The investment portfolio fell from £821,084 to £759,690. Our total comprehensive surplus for the year was £101,249 compared to a restated deficit in 2020 of £29,672.

### Trustees

The Trustees are dedicated to the wellbeing of the Charity's residents and its building. The Trustees have a diverse set of skills and operate a number of sub committees dedicated to different aspects of the life of the Charity. and operate a number of sub committees dedicated to different aspects of the life of the Charity. There were no changes to the trustees during the year and meetings were held on zoom. One socially distanced face to face meeting in October was held away from the College.

### Reserves policy

The Trustees believe that its Free Reserves, that is funds not committed towards future repairs reserves or invested in Tangible Fixed Assets, should equate to no less than 6 months operational expenditure.

## THE DUCHESS OF SOMERSET'S HOSPITAL

### TRUSTEES' REPORT (continued)

YEAR ENDED 31 DECEMBER 2021

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#### Investment policy

In 2009 the Trustees reviewed the Charity's investment strategy and concluded that the investments should be managed on a total return basis. The Trustees consider this approach to still be appropriate.

The Trustees believe that in the light of the current investment returns, possible future repair requirements and remaining costs in relation to the replacement boiler, that its current cash balances should continue to be held on short term deposits.

Charles Stanley & Co. Limited act as Independent Financial Advisors to the Trustees.

#### Trustees' responsibility for the accounts

The Trustees are responsible for preparing the Trustees' Annual Report and financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (UK GAAP), including FRS102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

The law applicable to Charities and Housing Association's in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, of the charity for that period. In preparing the financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the applicable Charities SORP and Housing 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Trustees are responsible for keeping proper accounting records which are sufficient to show and explain the Charity's transactions and to disclose with reasonable accuracy at any time the financial position of the Charity, and to enable them to ensure that any statements of account comply with the Charities Act 2011, the applicable Charity (Accounts and Reports) Regulations and the Housing SORP 2018: Statement of Recommended Practice for Social Housing issued by the National Housing Federation. They are also responsible for safeguarding the assets of the Charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the Charity and financial information included on the Charity's website.

Approved by the Trustees on 11 April 2022 and signed on their behalf by:



M Gibson  
Chairman - Finance Committee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF  
THE DUCHESS OF SOMERSET'S HOSPITAL  
YEAR ENDED 31 DECEMBER 2021**

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I report to the trustees on my examination of the financial statements of The Duchess of Somerset's Hospital (the charity) for the year ended 31 December 2021.

**Responsibilities and basis of report**

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act) and the Housing SORP 2018: Statement of Recommended Practice for Social Housing issued by the National Housing Federation.

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

**Independent examiner's statement**

The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of ICAEW.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



**Mrs A R Atkins BSc FCA  
David Owen & Co  
Chartered Accountants  
126 High Street  
Marlborough  
Wiltshire SN8 1LZ**

Date: 11/A/22

**THE DUCHESS OF SOMERSET'S HOSPITAL**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

	Notes	2021		2020 (as restated)	
		£	£	£	£
<b>TURNOVER</b>					
<b>Income</b>					
Maintenance contributions from residents			255,192		249,900
Less: Losses from voids			(12,325)		(10,973)
			242,867		238,927
<b>OPERATING INCOME</b>			41,881		15,404
<b>OPERATING EXPENDITURE</b>					
Services		133,482		126,592	
Management		39,099		40,483	
Repairs and servicing		39,336		35,573	
Extraordinary maintenance		54,506		45,761	
Depreciation		32,825		31,300	
Deficit / (surplus) on disposal of tangible assets		-		(2,289)	
			(299,248)		(277,420)
<b>OPERATING DEFICIT</b>			(14,500)		(23,089)
Surplus / (deficit) on investment disposals			6,184		(17,433)
Release of deferred capital grant re property			3,960		3,960
Release of deferred capital grant re plant			2,880		2,880
Deficit on ordinary activities before interest and taxation			(1,476)		(33,682)
Interest receivable and other income	5		28,059		21,194
Investment expenses			(2,487)		(2,855)
<b>SURPLUS / (DEFICIT) FOR THE YEAR</b>	6		24,096		(15,343)
Unrealised surplus /(deficit) on investments			77,153		(14,329)
<b>TOTAL COMPREHENSIVE (DEFICIT) / INCOME FOR THE YEAR</b>			101,249		(29,672)

The Duchess of Somerset's Hospital has not acquired or discontinued any fundamental activities during the above two financial years.

**THE DUCHESS OF SOMERSET'S HOSPITAL**  
**STATEMENT OF CHANGES IN RESERVES**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

	Investments revaluation reserve £	Investments realised reserve £	Unrestricted general fund £	2021 £
Brought forward as at 1 January 2021 as previously stated	155,768	372,222	536,062	1,064,052
Prior year adjustments (note 15)	-	-	169,633	169,633
Brought forward as at 1 January 2021 as restated	155,768	372,222	705,695	1,233,685
Surplus for the year	-	-	24,096	24,096
Transfer from Investments revaluation reserve	(5,312)	5,312	-	-
Transfer to Investment realised reserve	-	6,183	(6,183)	-
Unrealised loss in the year	77,153	-	-	77,153
Carried forward as at 31 December 2021	227,609	383,717	723,608	1,334,934

**Note 14**

	Investments revaluation reserve £	Investments realised reserve £	Unrestricted general fund (as restated) £	2020 (as restated) £
Brought forward as at 1 January 2020	204,965	354,787	703,605	1,263,357
Deficit for the year	-	-	(15,343)	(15,343)
Transfer from Investments revaluation reserve	(34,868)	34,868	-	-
Transfer to Investment realised reserve	-	(17,433)	17,433	-
Unrealised gain in the year	(14,329)	-	-	(14,329)
Carried forward as at 31 December 2020	155,768	372,222	705,695	1,233,685

**Note 14**

THE DUCHESS OF SOMERSET'S HOSPITAL

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2021

	Notes	2021		2020 (as restated)	
		£	£	£	£
<b>FIXED ASSETS</b>					
Housing properties	7		628,988		470,864
Other fixed assets					
Cost	8	372,172		368,516	
Less: Accumulated depreciation	8	(257,100)		(232,276)	
			115,072		136,240
Investments	9		759,690		821,084
			<u>1,503,750</u>		<u>1,428,188</u>
<b>CURRENT ASSETS</b>					
Trade and other debtors	10	57,057		12,113	
Cash at bank and in hand	11	53,557		73,636	
			<u>110,614</u>	<u>85,749</u>	
Less:					
Creditors: Amounts falling due within one year	12	(28,423)		(22,405)	
<b>NET CURRENT ASSETS</b>			<u>82,191</u>	<u>63,344</u>	
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>1,585,941</u>	<u>1,491,532</u>	
<b>CREDITORS:</b> Amounts falling due after more than one year	13		(251,007)	(257,847)	
<b>NET ASSETS</b>			<u><u>1,334,934</u></u>	<u><u>1,233,685</u></u>	
<b>CAPITAL AND RESERVES</b>					
Income and expenditure account	14		723,608		705,695
Investments realised reserve	Page 8		383,717		372,222
Investments revaluation reserve	Page 8		227,609		155,768
			<u>1,334,934</u>		<u>1,233,685</u>

The financial statements on pages 7 to 19 were approved by the Trustees on 11 April 2022 and signed on their behalf by:



His Grace The Duke of Somerset  
Chairman



M Gibson  
Chairman - Finance Committee

THE DUCHESS OF SOMERSET'S HOSPITAL

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2021

	2021	2020 (as restated)
	£	£
<b>Net cash generated from operating activities (See Note 1)</b>	(18,122)	12,568
<b>Cash flow from investing activities</b>		
Purchase of tangible fixed assets	(169,781)	(176,732)
Proceeds from sale of fixed assets	-	2,500
Purchase of investments	(18,179)	(2,384)
Proceeds from sale of investments	51,380	160,901
Investment income received	23,094	19,159
<b>Net change in cash and cash equivalents</b>	(131,608)	16,012
<b>Cash and cash equivalents at beginning of the year</b>	187,120	171,108
<b>Cash and cash equivalents at end of the year</b>	55,512	187,120
 <b>Note 1</b>		
<b>Cash flow from operating activities</b>		
Total comprehensive (deficit) / income for the year	101,249	(29,672)
<b>Adjustment for non-cash items:</b>		
Unrealised (surplus)/deficit on investment	(77,153)	14,329
Depreciation of tangible fixed assets	32,825	31,300
(Profit)/loss on disposal of tangible assets	-	(2,289)
Amortisation of government grants	(6,840)	(6,840)
Decrease/(Increase) in trade and other debtors	(44,944)	(1,191)
Increase/(decrease) in trade creditors and other creditors	6,019	8,657
<b>Adjustments for investing or financing activities:</b>		
(Profit)/loss on disposal of investments	(6,184)	17,433
Investment income receivable	(23,094)	(19,159)
	(18,122)	12,568
 <b>Note 2</b>		
<b>Cash and cash equivalents</b>		
Cash included in investments	1,955	113,484
Cash at bank and in hand	53,557	73,636
	55,512	187,120

**THE DUCHESS OF SOMERSET'S HOSPITAL**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

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**1. ACCOUNTING POLICIES**

The Financial Statements have been prepared in accordance with the Statement of Recommended Practice (SORP): Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019, the Charities Act 2011 and the Housing SORP 2018: Statement of Recommended Practice for Social Housing issued by the National Housing Federation.

The Charity constitutes a public benefit entity as defined by FRS 102.

**a. Basis of accounting and going concern**

The Financial Statements are prepared on the historical cost basis of accounting.

At the time of approving the financial statements the trustees have a reasonable expectation that the charity has adequate resources to continue for the foreseeable future. The trustees are mindful that these financial statements have been approved at a time when the coronavirus pandemic is affecting many charities. However as the charity is not reliant on donations this is not considered to result in any material uncertainties.

**b. Turnover**

Turnover represents maintenance contributions receivable.

**c. Housing properties**

The Duchess of Somerset 's Hospital was constructed in the Eighteenth Century and there is no record of the original cost and no value is attributed thereto. The Housing Properties cost relates to improvements carried out since 1981 which were funded by a Housing Corporation Grant; a mortgage loan from the Housing Corporation secured by a charge on housing, land and buildings and from the Duchess of Somerset's Hospital's own resources. Depreciation is charged at 1% per annum on the straight line basis so as to write the cost of improvements off over their expected useful economic lives.

**d. Other fixed assets**

Tangible fixed assets other than housing properties are stated at cost.

Depreciation is calculated so as to write off the cost of other fixed assets on the reducing balance basis over the expected useful economic lives of the assets concerned. The principal annual rate for this purpose which is consistent with that of the previous year's is:

Fixtures and fittings	15% per annum
Plant and machinery	Over 15 years

**e. Social Housing Grant**

Social Housing Grants (SHG) were paid by the Housing Corporation to reduce the cost of development. These are recognised as income on a systematic basis over the expected useful life of the housing property structure. SHG are repayable under certain circumstances, primarily following the sale of the property but will normally be restricted to net proceeds of sale.

**THE DUCHESS OF SOMERSET'S HOSPITAL**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

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**1. ACCOUNTING POLICIES (continued)**

**f. Other Grants**

The other grants received related to the cost of development of the biomass boiler. These are recognised as income on a systematic basis over the expected useful life of the asset.

**g. Capitalisation of interest**

Interest on the mortgage loan financing a development is capitalised up to the date of practical completion of the scheme.

**h. Investments**

Investments held as fixed assets are revalued at their mid-market value at the Balance Sheet date and the gain or loss taken to the Statement of comprehensive income.

**i. Repairs and servicing**

The Duchess of Somerset's Hospital has established a regular programme of repairs and servicing. Costs are charged to the Income and expenditure account in the year in which they are incurred.

**j. Work to existing housing properties**

Works which result in an enhancement of economic benefit to properties are deemed to be improvements and are capitalised. Expenditure is also capitalised where it represents the replacement or restoration of an item that has been treated separately and depreciated over its economic life.

**k. Unrestricted funds**

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the Charity without further specified purpose and are available as general funds.

**l. Designated reserves**

Designated reserves are unrestricted funds earmarked by the Trustees for particular purposes.

**m. Restricted funds**

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

**n. Extraordinary repairs reserve**

The extraordinary repairs reserve represents amounts set aside to carry out major repairs on Housing and amounts set aside for cyclical maintenance to meet costs in excess of budgeted expenditure.

**o. Convalescent and benefits fund**

This fund represents amounts set aside to assist residents in need of short term convalescent/nursing care or ex-residents in need of assistance towards the costs of nursing home fees.

**THE DUCHESS OF SOMERSET'S HOSPITAL**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**1. ACCOUNTING POLICIES (continued)**

**p. Value added tax**

The Duchess of Somerset's Hospital is not registered for VAT. In these Financial Statements, where applicable, expenditure is shown inclusive of VAT.

**q. Apportionment of expenses**

Costs relating specifically to the provisions of Services, Management and Repairs are apportioned directly to these headings in the Income and Expenditure account. Finance and Administration (Overhead) costs are apportioned between Management and Service Costs on the basis that 50% of the Finance and Administration Costs are attributable to Service Costs and the balance to Management.

**2. TAXATION**

The Duchess of Somerset's Hospital is a registered Charity and is therefore exempt from liability to taxation on its Income and Capital Gains.

**3. PAYMENT TO TRUSTEES**

The Senior Executives of the charity are its Trustees and the Steward to the Trustees.

No payment of fees or other remuneration were made during the year to any Trustee.

Expenses totalling £5,351 (2020 - £5,731) have been reimbursed to Trustees during the year.

**4. EMPLOYEE INFORMATION**

	<b>2021</b>	<b>2020 (as restated)</b>
The average weekly number of persons employed during the year was -	No.	No.
Warden	1	1
Steward and other staff	1	1
	<hr/>	<hr/>
	<b>£</b>	<b>£</b>
Wages and salaries	44,687	45,591
Social security costs	133	709
Pension costs	1,341	1,368
	<hr/>	<hr/>
	<b>46,161</b>	<b>47,668</b>
	<hr/>	<hr/>

No employee receives emoluments in excess of £60,000.

**THE DUCHESS OF SOMERSET'S HOSPITAL**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**5. INTEREST RECEIVABLE AND OTHER INCOME**

	<b>2021</b>	<b>2020</b> <b>(as restated)</b>
	<b>£</b>	<b>£</b>
Bank deposit interest	-	20
Investment income	23,094	19,139
	23,094	19,159
Rent from land	910	240
Other income	4,055	1,795
	28,059	21,194

Investments are managed on a total return basis.

**6. DEFICIT ON ORDINARY ACTIVITIES BEFORE TAXATION**

	<b>2021</b>	<b>2020</b> <b>(as restated)</b>
	<b>£</b>	<b>£</b>
Deficit on Ordinary activities before taxation is stated after charging -		
Depreciation - Tangible fixed assets	32,825	29,587
Independent examiners fees (including VAT)		
- In their capacity as independent examiners	1,800	1,750
- In respect of other services	7,250	7,007
	32,825	29,587

**7. HOUSING PROPERTIES - Freehold**

	<b>Housing Properties £</b>
<b>COST</b>	
At 1 January 2021 as restated	633,894
Additions	166,125
At 31 December 2021	800,019
<b>DEPRECIATION</b>	
At 1 January 2021 as restated	163,030
Charge for the year	8,001
At 31 December 2021	171,031
<b>NET BOOK VALUE</b>	
At 31 December 2021	628,988
At 31 December 2020 as restated	470,864

**THE DUCHESS OF SOMERSET'S HOSPITAL**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

**7. HOUSING PROPERTIES - Freehold (continued)**

The Duchess of Somerset's Hospital was constructed in the Eighteenth Century. There is no record of the original cost and no value is attributed thereto. The above amounts relate to improvements carried out since 1981, which were funded by Housing Corporation Grants of £395,900 and Residual Mortgage Loans of £37,466 which have now been fully repaid. The balance was provided from the Duchess of Somerset's Hospital's own resources.

**8. OTHER FIXED ASSETS**

	Plant and machinery £	Fixtures and fittings £	Total £
<b>COST</b>			
At 1 January 2021 as restated	309,256	59,260	368,516
Additions	-	3,656	3,656
Disposals	-	-	-
At 31 December 2021	309,256	62,916	372,172
<b>DEPRECIATION</b>			
At 1 January 2021 as restated	198,915	33,361	232,276
Charge for the year	20,389	4,435	24,824
Disposals	-	-	-
At 31 December 2021	219,304	37,796	257,100
<b>NET BOOK VALUE</b>			
At 31 December 2021	89,952	25,120	115,072
At 31 December 2020	110,341	25,899	136,240

**9. FIXED ASSET INVESTMENTS**

	2021 £	2020 (as restated) £	2021 £	2020 (as restated) £
	Market value		Cost	
Share portfolio at 31 December	757,735	707,600	530,126	551,833
Cash held	1,955	113,484	1,955	113,484
	759,690	821,084	532,081	665,317

These listed investments are managed on a total return basis by Charles Stanley & Co. Limited.

**THE DUCHESS OF SOMERSET'S HOSPITAL**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**10. DEBTORS**

	<b>2021</b>	<b>2020</b> <b>(as restated)</b>
	<b>£</b>	<b>£</b>
Arrears of maintenance contributions	1,958	1,424
Prepayments and accrued income	51,353	9,663
Other debtors	3,746	1,026
	<u>57,057</u>	<u>12,113</u>

**11. CASH AT BANK AND IN HAND & CASH EQUIVALENT**

	<b>2021</b>	<b>2020</b> <b>(as restated)</b>
	<b>£</b>	<b>£</b>
General funds	33,224	48,013
Extraordinary repair fund	13,584	18,874
Convalescent and benefit fund	6,749	6,749
	<u>53,557</u>	<u>73,636</u>

**12. CREDITORS: Amounts falling due within one year**

	<b>2021</b>	<b>2020</b> <b>(as restated)</b>
	<b>£</b>	<b>£</b>
Maintenance contributions received in advance	661	350
Accruals	19,096	13,423
Other creditors	1,827	1,793
Deferred capital grants re property	3,959	3,959
Deferred capital grants re plant	2,880	2,880
	<u>28,423</u>	<u>22,405</u>

**13. CREDITORS: Amounts falling due after more than one year**

	<b>2021</b>	<b>2020</b> <b>(as restated)</b>
	<b>£</b>	<b>£</b>
Deferred capital grants re property	242,355	246,315
Deferred capital grants re plant	8,652	11,532
	<u>251,007</u>	<u>257,847</u>

**THE DUCHESS OF SOMERSET'S HOSPITAL**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**14. UNRESTRICTED GENERAL FUND**

	Income & Expenditure Account £	Designated Funds		2021 £
		Extra- ordinary Repairs Reserve £	Convales- cent and Benefits Fund £	
Balance at 1 January 2021 as previously stated	198,943	330,370	6,749	536,062
Prior year adjustments (note 15)	(1,713)	171,346	-	169,633
	197,230	501,716	6,749	705,695
Surplus for the year	24,096	-	-	24,096
Transfer to Investment realised reserve	(6,183)	-	-	(6,183)
Transfer from Income & expenditure account	(7,101)	7,101	-	-
Balance at 31 December 2021	208,042	508,817	6,749	723,608

Transfer from/(to) Income & expenditure account				
Repair provision transfers		41,000	-	41,000
Investment income		23,094	-	23,094
Investment expenses		(2,487)	-	(2,487)
Less: Expenditure		(54,506)	-	(54,506)
		7,101	-	7,101

	Income & Expenditure Account (as restated) £	Designated Funds		2020 (as restated) £
		Extra- ordinary Repairs Reserve (as restated) £	Convales- cent and Benefits Fund (as restated) £	
Balance at 1 January 2020	206,663	490,193	6,749	703,605
Deficit for the year	(15,343)	-	-	(15,343)
Transfer to Investment realised reserve	17,433	-	-	17,433
Transfer from Income & expenditure account	(11,523)	11,523	-	-
Balance at 31 December 2020	197,230	501,716	6,749	705,695

Transfer from/(to) Income & expenditure account				
Repair provision transfers		41,000	-	41,000
Investment income		19,139	-	19,139
Investment expenses		(2,855)	-	(2,855)
Less: Expenditure		(45,761)	-	(45,761)
		11,523	-	11,523

**THE DUCHESS OF SOMERSET'S HOSPITAL**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

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**15. PRIOR YEAR ADJUSTMENT**

An adjustment has been made to the prior year figures to capitalise the costs incurred in relation to the major works carried out to the Charity's hot and cold water supply during the year ended 31 December 2021. The total costs capitalised were £171,346 on which a depreciation charge of £1,713 was introduced.

**16. CAPITAL COMMITMENTS**

At 31 December 2021 and 2020, there were no known capital commitments.

**17. CONTINGENT LIABILITIES**

At 31 December 2021 and 2020, there were no known contingent liabilities.

**18. PAYMENTS TO CREDITORS**

Payments are made to creditors within 30 days of receipt of invoice.

**19. UTILISATION OF COTTAGES**

The charity operates 50 units of accommodation, 49 of which are occupied by residents with 1 unit being available for use as a guest flat for residents' visitors.

**20 RELATED PARTIES**

The College is supplied with electricity via a farm buyers group of which Mr M Gibson, a trustee, is a member. Invoices are received and paid by Mr M Gibson and then recharged to the College. The costs recharged in the year were £6,583 (2020 - £4,694).

Included within Professional fees is a payment of £6,600 in relation to a valuation of the College carried out by Woolley & Wallis of which Mr R Nocton, a trustee, is a partner.

THE DUCHESS OF SOMERSET'S HOSPITAL

APPORTIONMENT OF EXPENSES

FOR THE YEAR ENDED 31 DECEMBER 2021

	2021			2020		
	Total £	Services £	Manage - ment £	Total £	Services £	Manage - ment £
<b>SALARIES AND STAFF EXPENSES</b>						
Warden (75% : 25%)	25,394	19,046	6,348	26,174	19,631	6,543
Steward & secretarial	20,767	-	20,767	21,493		21,493
Chaplain	3,184	3,184	-	3,790	3,790	
Warden call cover	7,851	7,851	-	7,938	7,938	
<b>ESTABLISHMENT EXPENSES</b>						
Central heating fuel	41,740	41,740	-	38,737	38,737	
Property insurance	10,191	10,191	-	9,555	9,555	
General and water rates	2,731	2,731	-	2,920	2,920	
Electricity charges	14,382	14,382	-	10,040	10,040	
Garden expenses	20,423	20,423	-	18,222	18,222	
Website and computer costs	351	351	-	392	392	
<b>GENERAL EXPENSES</b>						
Convalescent contributions etc.	1,597	1,597	-	2,917	2,917	
Telephone charges less receipts	3,575	1,788	1,787	3,307	1,654	1,653
Accountancy	9,050	4,525	4,525	8,757	4,379	4,378
Administration and stationery	614	307	307	408	204	204
General expenses	3,333	1,667	1,666	6,708	3,354	3,354
Professional fees	6,798	3,399	3,399	5,117	2,559	2,558
Trustee expenses	600	300	300	600	300	300
<b>TOTAL EXPENSES</b>	<b>172,581</b>	<b>133,482</b>	<b>39,099</b>	<b>167,075</b>	<b>126,592</b>	<b>40,483</b>

**THE DUCHESS OF SOMERSET'S HOSPITAL**

England & Wales - Charity number 202650

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# Accounts

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**THE DUCHESS OF SOMERSET'S HOSPITAL**

**REGISTERED CHARITY NO. 202650**

**HOMES ENGLAND NO. A3036**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31 DECEMBER 2020**

**THE DUCHESS OF SOMERSET'S HOSPITAL**

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**YEAR ENDED 31 DECEMBER 2020**

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# THE DUCHESS OF SOMERSET'S HOSPITAL

## SIGNIFICANT INFORMATION

YEAR ENDED 31 DECEMBER 2020

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### Trustees

Chairman	His Grace the Duke of Somerset FRICS
Chairman - Executive Committee	Mrs A E Oliver <sup>123</sup>
Chairman - Finance and Building Committees	Mr M Gibson <sup>124</sup>
Chairman - Pastoral Committee	Mrs A Pearson-Gregory <sup>123</sup>
Other trustees	Mr C Cooke <sup>124</sup>
	Mr R Nocton <sup>4</sup>
	Dr R Owen-Jones <sup>13</sup>
	Mrs J Cowley <sup>1</sup>
	Mr N Loweth <sup>1</sup>
	Mrs H Geary <sup>2</sup>

<sup>1</sup> Executive Committee Members

<sup>2</sup> Finance Committee Members

<sup>3</sup> Pastoral Committee Members

<sup>4</sup> Building Committee Members

### Officers

Steward Mrs L Caterer

Warden Mrs E Holborow

### Address

Duchess of Somerset's Hospital  
Froxfield  
Wiltshire  
SN8 3LA

### Charity Number

202650

### Homes England Number

A3036

**THE DUCHESS OF SOMERSET'S HOSPITAL**

**SIGNIFICANT INFORMATION (CONTINUED)**

**YEAR ENDED 31 DECEMBER 2020**

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**Main Advisers**

Bankers	CAF Bank Ltd
Accountants and Independent Examiner	David Owen & Co Chartered Accountants 126 High Street Marlborough Wiltshire SN8 1LZ
Solicitors	The Merriman Partnership Hughenden House 107 High Street Marlborough Wiltshire, SN8 1LN
Investment Advisers	Charles Stanley & Co. Limited 25 Luke Street London EC2A 4AR

**Other Advisers**

Architect and Building Consultant	Sidleys Chartered Surveyors 6 King Edward Street Oxford, OX1 4JL
General advice re Listed Buildings	Almshouse Association Billingbear Lodge Carters Hill Wokingham RG40 5RU
Water Services Consultants	Whatley & Co (Pewsey) Limited High Trees Salisbury Road Pewsey SN9 5NZ

# THE DUCHESS OF SOMERSET'S HOSPITAL

## TRUSTEES' REPORT

YEAR ENDED 31 DECEMBER 2020

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The Trustees present their report and accounts for the year ended 31 December 2020.

### **Structure, Governance and Management**

#### **Governing document**

The Charity was founded by the Duchess of Somerset in 1686 and is registered as a Charity with the Charity Commission under a trust deed dated 3rd December 1926 - with variations on 26th January 1945, 21st March 1958, 28th September 1966 and 18th January 1991.

The Charity is also registered with Homes England and is a member of the National Association of Almshouses.

#### **Recruitment and appointment of Trustees**

When considering new Trustees, regard is given to the range of skills held by Trustees so as to encompass a broad mix of financial, legal, property, business and caring skills.

When appointing new Trustees, the Trustees have regard to the guidance issued by the Charity Commission and the Homes England for their induction and training.

#### **Organisation structure**

There are half yearly meetings of the full Trustees with half yearly Executive Committee meetings and a Finance Committee which meets twice a year. Ad hoc subcommittees are set up for specific projects, or Trustees with specific knowledge are requested to write papers for Trustees consideration.

Day to day administration matters are dealt with by the Steward and the Chairman of the Executive Committee.

#### **Risk management**

The Trustees regularly assess the major risks to which the Charity is exposed and have recently undertaken a detailed health & safety assessment of the property and grounds.

#### **Principal activities, aims and organisation**

The Charity provides sheltered self-contained accommodation to able bodied women normally between the ages of 55 and 80 on initial occupation.

The Charity employs a resident warden. It also operates a system of home visits to residents and arranges for visiting clergy to perform services in the Charity's chapel.

The Trustees operate a discretionary convalescent fund to assist residents in need of short term convalescent/nursing care or ex-residents in need of assistance towards the cost of nursing home fees.

The Trustees have paid due regard to the Charity Commission's guidance on public benefit in deciding what activities the Charity should undertake.

# THE DUCHESS OF SOMERSET'S HOSPITAL

## TRUSTEES' REPORT (continued)

YEAR ENDED 31 DECEMBER 2020

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### Developments, activities and achievements during the year

As everyone knows the arrival of the Covid pandemic has been the dominant feature of the year. Through hard work by the staff and through the diligence of the residents the College has avoided any cases and got on with life. Residents have supported each other within the College and life has been as close to normal as possible. During the year 4 vacancies arose and we had difficulties in arranging interviews so, at the end of the year, we had 3 empty cottages. Since the end of the year one of these has been filled.

During the year we managed to continue to work on renewing the water supply and heating circuits and, despite some supply difficulties, this was finally completed within budget in October. During 2020 £217,107 was spent on non routine repairs and maintenance compared to £137,448 the previous year. The biomass boiler broke down and was closed for a few months, but the back up oil boiler was cheaper to operate than in recent years so we took the opportunity to do a complete refurbishment of the unit. Further work to improve the performance of the biomass will be undertaken. Despite these expenses the Renewable Heat Incentive payment has more than covered the costs of the work

Our relationship with local contractors who knew and were trusted by the staff and residents enabled us to keep our maintenance and repair work on track. All workers were exemplary in the care taken to protect themselves and the residents from infection.

Progress has been made with the plan to refurbish and repurpose the 19th century chapel. This will be undertaken during 2021.

We also managed to plant the College Wood in the field belonging to the College. This is a 3 acre wood and was planted by village volunteers and residents of the College. A permissive footpath has been created for the village. We were supported by the Woodland Trust who provided the native English trees. This wood will be expanded over the next few years.

An exercise to calculate the carbon footprint of the College will be undertaken during 2021, and plans drawn up to make it carbon neutral.

Operational costs, excluding non routine maintenance, were £229,946 compared to £235,587 in 2019. After the large maintenance cost the Charity showed an operating deficit of £192,722 compared to a deficit in 2019 of £104,997. Investment income halved to £16,284 (2019 - £32,826), due to the impact of the pandemic. After investment income there was a realised deficit for the year of £203,315 compared to a deficit in 2019 of £44,175. The investment portfolio fell by 10% to £813,709 (2019 - £897,879). This underperformed the market slightly as we held a considerable amount of cash and cash equivalents pending the expected maintenance costs during the year. Our total comprehensive deficit for the year was £199,305 compared to a surplus in 2019 of £61,699.

### Trustees

The Trustees are dedicated to the wellbeing of the Charity's residents and its building. The Trustees have a diverse set of skills and operate a number of sub committees dedicated to different aspects of the life of the Charity. and operate a number of sub committees dedicated to different aspects of the life of the Charity. There were no changes to the trustees during the year and meetings were held on zoom. One socially distanced face to face meeting in October was held away from the College.

### Reserves policy

The Trustees believe that its Free Reserves, that is funds not committed towards future repairs reserves or invested in Tangible Fixed Assets, should equate to no less than 6 months operational expenditure.

## THE DUCHESS OF SOMERSET'S HOSPITAL

### TRUSTEES' REPORT (continued)

YEAR ENDED 31 DECEMBER 2020

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#### Investment policy

In 2009 the Trustees reviewed the Charity's investment strategy and concluded that the investments should be managed on a total return basis. The Trustees consider this approach to still be appropriate.

The Trustees believe that in the light of the current investment returns, possible future repair requirements and remaining costs in relation to the replacement boiler, that its current cash balances should continue to be held on short term deposits.

Charles Stanley & Co. Limited act as Independent Financial Advisors to the Trustees.

#### Trustees' responsibility for the accounts

The Trustees are responsible for preparing the Trustees' Annual Report and financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (UK GAAP), including FRS102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

The law applicable to Charities and Housing Association's in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, of the charity for that period. In preparing the financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the applicable Charities SORP and Housing 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Trustees are responsible for keeping proper accounting records which are sufficient to show and explain the Charity's transactions and to disclose with reasonable accuracy at any time the financial position of the Charity, and to enable them to ensure that any statements of account comply with the Charities Act 2011, the applicable Charity (Accounts and Reports) Regulations and the Housing SORP 2018: Statement of Recommended Practice for Social Housing issued by the National Housing Federation. They are also responsible for safeguarding the assets of the Charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the Charity and financial information included on the Charity's website.

Approved by the Trustees on 26 April 2021 and signed on their behalf by:



M Gibson  
Chairman - Finance Committee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF  
THE DUCHESS OF SOMERSET'S HOSPITAL  
YEAR ENDED 31 DECEMBER 2020**

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I report to the trustees on my examination of the financial statements of The Duchess of Somerset's Hospital (the charity) for the year ended 31 December 2020.

**Responsibilities and basis of report**

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

**Independent examiner's statement**

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



**Mrs A R Atkins BSc FCA  
David Owen & Co  
Chartered Accountants  
126 High Street  
Marlborough  
Wiltshire SN8 1LZ**

**Date:** 24/6/21

**THE DUCHESS OF SOMERSET'S HOSPITAL**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

	Notes	2020		2019	
		£	£	£	£
<b>TURNOVER</b>					
<b>Income</b>					
Maintenance contributions from residents			249,900		244,608
Less: Losses from voids			(10,973)		(6,065)
			<u>238,927</u>		<u>238,543</u>
<b>OPERATING INCOME</b>			15,404		29,495
<b>OPERATING EXPENDITURE</b>					
Services		126,592		131,797	
Management		40,483		41,535	
Repairs and servicing		35,573		32,777	
Extraordinary maintenance		217,107		137,448	
Depreciation		29,587		29,478	
(Surplus) / deficit on disposal of tangible assets		(2,289)		-	
			<u>(447,053)</u>		<u>(373,035)</u>
<b>OPERATING DEFICIT</b>			(192,722)		(104,997)
(Deficit) / surplus on investment disposals			(17,433)		16,788
Release of deferred capital grant re property			3,960		3,960
Release of deferred capital grant re plant			2,880		2,880
Deficit on ordinary activities before interest and taxation			<u>(203,315)</u>		<u>(81,369)</u>
Interest receivable and other income	5		21,194		37,194
Investment expenses			(2,855)		(3,190)
<b>DEFICIT FOR THE YEAR</b>	6		<u>(184,976)</u>		<u>(47,365)</u>
Unrealised (deficit) / surplus on investments			(14,329)		105,874
<b>TOTAL COMPREHENSIVE (DEFICIT) / INCOME FOR THE YEAR</b>			<u><u>(199,305)</u></u>		<u><u>58,509</u></u>

The Duchess of Somerset's Hospital has not acquired or discontinued any fundamental activities during the above two financial years.

**THE DUCHESS OF SOMERSET'S HOSPITAL**  
**STATEMENT OF CHANGES IN RESERVES**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

	Investments revaluation reserve £	Investments realised reserve £	Unrestricted general fund £	2020 £
Brought forward as at 1 January 2020	204,965	354,787	703,605	1,263,357
Deficit for the year	-	-	(184,976)	(184,976)
Transfer from Investments revaluation reserve	(34,868)	34,868	-	-
Transfer to Investment realised reserve	-	(17,433)	17,433	-
Unrealised loss in the year	(14,329)	-	-	(14,329)
Carried forward as at 31 December 2020	155,768	372,222	536,062	1,064,052

**Note 14**

	Investments revaluation reserve £	Investments realised reserve £	Unrestricted general fund £	2019 £
Brought forward as at 1 January 2019	100,482	336,608	764,568	1,201,658
Deficit for the year	-	-	(44,175)	(44,175)
Transfer from Investments revaluation reserve	(1,391)	1,391	-	-
Transfer to Investment realised reserve	-	16,788	(16,788)	-
Unrealised gain in the year	105,874	-	-	105,874
Carried forward as at 31 December 2019	204,965	354,787	703,605	1,263,357

**Note 14**

THE DUCHESS OF SOMERSET'S HOSPITAL

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2020

	Notes	2020		2019	
		£	£	£	£
<b>FIXED ASSETS</b>					
Housing properties	7		301,231		305,857
Other fixed assets					
Cost	8	368,516		364,878	
Less: Accumulated depreciation	8	(232,276)		(208,852)	
			136,240		156,026
Investments	9		821,084		958,955
			<u>1,258,555</u>		<u>1,420,838</u>
<b>CURRENT ASSETS</b>					
Trade and other debtors	10	12,113		10,922	
Cash at bank and in hand	11	73,636		110,032	
			<u>85,749</u>		<u>120,954</u>
Less:					
Creditors: Amounts falling due within one year	12	(22,405)		(13,748)	
<b>NET CURRENT ASSETS</b>			<u>63,344</u>		<u>107,206</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>1,321,899</u>		<u>1,528,044</u>
<b>CREDITORS:</b> Amounts falling due after more than one year	13		(257,847)		(264,687)
<b>NET ASSETS</b>			<u><u>1,064,052</u></u>		<u><u>1,263,357</u></u>
<b>CAPITAL AND RESERVES</b>					
Income and expenditure account	14		536,062		703,605
Investments realised reserve	Page 8		372,222		354,787
Investments revaluation reserve	Page 8		155,768		204,965
			<u>1,064,052</u>		<u>1,263,357</u>

The financial statements on pages 7 to 19 were approved by the Trustees on 26 April 2021 and signed on their behalf by:



His Grace The Duke of Somerset  
Chairman



M Gibson  
Chairman - Finance Committee

**THE DUCHESS OF SOMERSET'S HOSPITAL**

**STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

	2020 £	2019 £
<b>Net cash generated from operating activities (See Note 1)</b>	(158,778)	(74,543)
<b>Cash flow from investing activities</b>		
Purchase of tangible fixed assets	(5,386)	(5,954)
Proceeds from sale of fixed assets	2,500	-
Purchase of investments	(2,384)	(33,923)
Proceeds from sale of investments	160,901	100,497
Investment income received net of fees	19,159	32,870
<b>Net change in cash and cash equivalents</b>	16,012	18,947
<b>Cash and cash equivalents at beginning of the year</b>	171,108	148,971
<b>Cash and cash equivalents at end of the year</b>	187,120	167,918

**Note 1**

**Cash flow from operating activities**

Total comprehensive (deficit) / income for the year	(199,305)	58,509
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**Adjustment for non-cash items:**

Unrealised (surplus)/deficit on investment	14,329	(105,874)
Depreciation of tangible fixed assets	29,587	29,478
(Profit)/loss on disposal of tangible assets	(2,289)	-
Amortisation of government grants	(6,840)	(6,840)
Decrease/(Increase) in trade and other debtors	(1,191)	609
Increase/(decrease) in trade creditors and other creditors	8,657	(767)

**Adjustments for investing or financing activities:**

(Profit)/loss on disposal of investments	17,433	(16,788)
Investment income receivable net of fees	(19,159)	(32,870)
	(158,778)	(74,543)

**Note 2**

**Cash and cash equivalents**

Cash included in investments	113,484	61,076
Cash at bank and in hand	73,636	110,032
	187,120	171,108

# THE DUCHESS OF SOMERSET'S HOSPITAL

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2020

---

#### 1. ACCOUNTING POLICIES

The Financial Statements have been prepared in accordance with the Statement of Recommended Practice (SORP): Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019, the Charities Act 2011 and the Housing SORP 2018: Statement of Recommended Practice for Social Housing issued by the National Housing Federation.

The Charity constitutes a public benefit entity as defined by FRS 102.

##### a. Basis of accounting and going concern

The Financial Statements are prepared on the historical cost basis of accounting.

At the time of approving the financial statements the trustees have a reasonable expectation that the charity has adequate resources to continue for the foreseeable future. The trustees are mindful that these financial statements have been approved at a time when the coronavirus pandemic is affecting many charities. However as the charity is not reliant on donations this is not considered to result in any material uncertainties.

##### b. Turnover

Turnover represents maintenance contributions receivable.

##### c. Housing properties

The Duchess of Somerset 's Hospital was constructed in the Eighteenth Century and there is no record of the original cost and no value is attributed thereto. The Housing Properties cost relates to improvements carried out since 1981 which were funded by a Housing Corporation Grant; a mortgage loan from the Housing Corporation secured by a charge on housing, land and buildings and from the Duchess of Somerset's Hospital's own resources. Depreciation is charged at 1% per annum on the straight line basis so as to write the cost of improvements off over their expected useful economic lives.

##### d. Other fixed assets

Tangible fixed assets other than housing properties are stated at cost.

Depreciation is calculated so as to write off the cost of other fixed assets on the reducing balance basis over the expected useful economic lives of the assets concerned. The principal annual rate for this purpose which is consistent with that of the previous year's is:

Fixtures and fittings	15% per annum
Plant and machinery	Over 15 years

##### e. Social Housing Grant

Social Housing Grants (SHG) were paid by the Housing Corporation to reduce the cost of development. These are recognised as income on a systematic basis over the expected useful life of the housing property structure. SHG are repayable under certain circumstances, primarily following the sale of the property but will normally be restricted to net proceeds of sale.

**THE DUCHESS OF SOMERSET'S HOSPITAL**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

---

**1. ACCOUNTING POLICIES (continued)**

**f. Other Grants**

The other grants received related to the cost of development of the biomass boiler. These are recognised as income on a systematic basis over the expected useful life of the asset.

**g. Capitalisation of interest**

Interest on the mortgage loan financing a development is capitalised up to the date of practical completion of the scheme.

**h. Investments**

Investments held as fixed assets are revalued at their mid-market value at the Balance Sheet date and the gain or loss taken to the Statement of comprehensive income.

**i. Repairs and servicing**

The Duchess of Somerset's Hospital has established a regular programme of repairs and servicing. Costs are charged to the Income and expenditure account in the year in which they are incurred.

**j. Work to existing housing properties**

Works which result in an enhancement of economic benefit to properties are deemed to be improvements and are capitalised. Expenditure is also capitalised where it represents the replacement or restoration of an item that has been treated separately and depreciated over its economic life.

**k. Unrestricted funds**

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the Charity without further specified purpose and are available as general funds.

**l. Designated reserves**

Designated reserves are unrestricted funds earmarked by the Trustees for particular purposes.

**m. Restricted funds**

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

**n. Extraordinary repairs reserve**

The extraordinary repairs reserve represents amounts set aside to carry out major repairs on Housing and amounts set aside for cyclical maintenance to meet costs in excess of budgeted expenditure.

**o. Convalescent and benefits fund**

This fund represents amounts set aside to assist residents in need of short term convalescent/nursing care or ex-residents in need of assistance towards the costs of nursing home fees.

**THE DUCHESS OF SOMERSET'S HOSPITAL**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**1. ACCOUNTING POLICIES (continued)**

**p. Value added tax**

The Duchess of Somerset's Hospital is not registered for VAT. In these Financial Statements, where applicable, expenditure is shown inclusive of VAT.

**q. Apportionment of expenses**

Costs relating specifically to the provisions of Services, Management and Repairs are apportioned directly to these headings in the Income and Expenditure account. Finance and Administration (Overhead) costs are apportioned between Management and Service Costs on the basis that 50% of the Finance and Administration Costs are attributable to Service Costs and the balance to Management.

**2. TAXATION**

The Duchess of Somerset's Hospital is a registered Charity and is therefore exempt from liability to taxation on its Income and Capital Gains.

**3. PAYMENT TO TRUSTEES**

The Senior Executives of the charity are its Trustees and the Steward to the Trustees.

No payment of fees or other remuneration were made during the year to any Trustee.

Expenses totalling £5,731 (2019 - £664) have been reimbursed to Trustees during the year.

**4. EMPLOYEE INFORMATION**

	<b>2020 No.</b>	<b>2019 No.</b>
The average weekly number of persons employed during the year was -		
Warden	1	1
Steward and other staff	1	1
	<b>£</b>	<b>£</b>
Wages and salaries	45,591	42,330
Social security costs	709	431
Pension costs	1,368	1,176
	<b>47,668</b>	<b>43,937</b>

No employee receives emoluments in excess of £60,000.

**THE DUCHESS OF SOMERSET'S HOSPITAL**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**5. INTEREST RECEIVABLE AND OTHER INCOME**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Bank deposit interest	20	44
Investment income	19,139	36,016
	19,159	36,060
Rent from land	240	637
Other income	1,795	3,687
	21,194	40,384

Investments are managed on a total return basis.

**6. DEFICIT ON ORDINARY ACTIVITIES BEFORE TAXATION**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Deficit on Ordinary activities before taxation is stated after charging -		
Depreciation - Tangible fixed assets	29,587	29,478
	29,587	29,478
Independent examiners fees (including VAT)		
- In their capacity as independent examiners	1,750	1,750
- In respect of other services	7,007	6,572
	7,007	6,572

**7. HOUSING PROPERTIES - Freehold**

	<b>Housing Properties £</b>
<b>COST</b>	
At 1 January 2020	462,548
Additions	-
	-
At 31 December 2020	462,548
<b>DEPRECIATION</b>	
At 1 January 2020	156,691
Charge for the year	4,626
	4,626
At 31 December 2020	161,317
<b>NET BOOK VALUE</b>	
At 31 December 2020	301,231
At 31 December 2019	305,857

**THE DUCHESS OF SOMERSET'S HOSPITAL**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**7. HOUSING PROPERTIES - Freehold (continued)**

The Duchess of Somerset's Hospital was constructed in the Eighteenth Century. There is no record of the original cost and no value is attributed thereto. The above amounts relate to improvements carried out since 1981, which were funded by Housing Corporation Grants of £395,900 and Residual Mortgage Loans of £37,466 which have now been fully repaid. The balance was provided from the Duchess of Somerset's Hospital's own resources.

**8. OTHER FIXED ASSETS**

	Plant and machinery £	Fixtures and fittings £	Total £
<b>COST</b>			
At 1 January 2020	309,256	55,622	364,878
Additions	-	5,386	5,386
Disposals	-	(1,748)	(1,748)
At 31 December 2020	<u>309,256</u>	<u>59,260</u>	<u>368,516</u>
<b>DEPRECIATION</b>			
At 1 January 2020	178,526	30,326	208,852
Charge for the year	20,389	4,572	24,961
Disposals	-	(1,537)	(1,537)
At 31 December 2020	<u>198,915</u>	<u>33,361</u>	<u>232,276</u>
<b>NET BOOK VALUE</b>			
At 31 December 2020	<u>110,341</u>	<u>25,899</u>	<u>136,240</u>
At 31 December 2019	<u>130,730</u>	<u>25,296</u>	<u>156,026</u>

**9. FIXED ASSET INVESTMENTS**

	2020 £	2019 £	2020 £	2019 £
	Market value		Cost	
Share portfolio at 31 December	707,600	897,879	551,833	692,915
Cash held	113,484	61,076	113,484	61,076
	<u>821,084</u>	<u>958,955</u>	<u>665,317</u>	<u>753,991</u>

These listed investments are managed on a total return basis by Charles Stanley & Co. Limited.

**THE DUCHESS OF SOMERSET'S HOSPITAL**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**10. DEBTORS**

	<b>2020</b>	<b>2019</b>
	£	£
Arrears of maintenance contributions	1,424	663
Prepayments and accrued income	9,663	9,449
Other debtors	1,026	810
	12,113	10,922
	12,113	10,922

**11. CASH AT BANK AND IN HAND & CASH EQUIVALENT**

	<b>2020</b>	<b>2019</b>
	£	£
General funds	25,140	48,781
Extraordinary repair fund	41,747	54,502
Convalescent and benefit fund	6,749	6,749
	73,636	110,032
	73,636	110,032

**12. CREDITORS: Amounts falling due within one year**

	<b>2020</b>	<b>2019</b>
	£	£
Maintenance contributions received in advance	350	359
Accruals	13,423	4,794
Other creditors	1,793	1,756
Deferred capital grants re property	3,959	3,959
Deferred capital grants re plant	2,880	2,880
	22,405	13,748
	22,405	13,748

**13. CREDITORS: Amounts falling due after more than one year**

	<b>2020</b>	<b>2019</b>
	£	£
Deferred capital grants re property	246,315	250,275
Deferred capital grants re plant	11,532	14,412
	257,847	264,687
	257,847	264,687

**THE DUCHESS OF SOMERSET'S HOSPITAL**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**14. UNRESTRICTED GENERAL FUND**

	Income & Expenditure Account £	<u>Designated Funds</u>		2020 £
		Extra- ordinary Repairs Reserve £	Convales- cent and Benefits Fund £	
Balance at 1 January 2020	206,663	490,193	6,749	703,605
Deficit for the year	(184,976)	-	-	(184,976)
Transfer to Investment realised reserve	17,433	-	-	17,433
Transfer from Income & expenditure account	156,968	(156,968)	-	-
<b>Balance at 31 December 2020</b>	<b>196,088</b>	<b>333,225</b>	<b>6,749</b>	<b>536,062</b>

Transfer from/(to) Income & expenditure account				
Repair provision transfers		41,000	-	41,000
Investment income less fees		19,139	-	19,139
Less: Expenditure		(217,107)	-	(217,107)
		(156,968)	-	(156,968)

	Income & Expenditure Account £	<u>Designated Funds</u>		2019 £
		Extra- ordinary Repairs Reserve £	Convales- cent and Benefits Fund £	
Balance at 1 January 2019	204,004	553,815	6,749	764,568
Deficit for the year	(44,175)	-	-	(44,175)
Transfer to Investment realised reserve	(16,788)	-	-	(16,788)
Transfer from Income & expenditure account	63,622	(63,622)	-	-
<b>Balance at 31 December 2019</b>	<b>206,663</b>	<b>490,193</b>	<b>6,749</b>	<b>703,605</b>

Transfer from/(to) Income & expenditure account				
Repair provision transfers		41,000	-	41,000
Investment income less fees		32,826	-	32,826
Less: Expenditure		(137,448)	-	(137,448)
		(63,622)	-	(63,622)

**THE DUCHESS OF SOMERSET'S HOSPITAL**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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**15. CAPITAL COMMITMENTS**

At 31 December 2020 and 2019, there were no known capital commitments.

**16. CONTINGENT LIABILITIES**

At 31 December 2020 and 2019, there were no known contingent liabilities.

**17. PAYMENTS TO CREDITORS**

Payments are made to creditors within 30 days of receipt of invoice.

**18. UTILISATION OF COTTAGES**

The charity operates 50 units of accommodation, 49 of which are occupied by residents with 1 unit being available for use as a guest flat for residents' visitors.

**19 RELATED PARTIES**

The College is supplied with electricity via a farm buyers group of which Martin Gibson, a trustee, is a member. Invoices are received and paid by Mr Gibson and then recharged to the College. The costs for the year were £4,694 (2019 - £nil).

**THE DUCHESS OF SOMERSET'S HOSPITAL**

**APPORTIONMENT OF EXPENSES**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

	2020			2019		
	Total £	Services £	Manage - ment £	Total £	Services £	Manage - ment £
<b>SALARIES AND STAFF EXPENSES</b>						
Warden (75% : 25%)	26,174	19,631	6,543	26,367	19,775	6,592
Steward & secretarial	21,493	-	21,493	20,230	-	20,230
Chaplain	3,790	3,790	-	3,781	3,781	-
Warden call cover	7,938	7,938	-	7,948	7,948	-
<b>ESTABLISHMENT EXPENSES</b>						
Central heating fuel	38,737	38,737	-	42,955	42,955	-
Property insurance	9,555	9,555	-	9,159	9,159	-
General and water rates	2,920	2,920	-	4,081	4,081	-
Electricity charges	10,040	10,040	-	10,781	10,781	-
Garden expenses	18,222	18,222	-	16,452	16,452	-
Website and computer costs	392	392	-	509	509	-
<b>GENERAL EXPENSES</b>						
Convalescent contributions etc.	2,917	2,917	-	1,418	1,418	-
Warden training (75% : 25%)	-	-	-	444	333	111
Telephone charges less receipts	3,307	1,654	1,653	2,438	1,219	1,219
Accountancy	8,757	4,379	4,378	8,322	4,161	4,161
Administration and stationery	408	204	204	871	436	435
General expenses	6,708	3,354	3,354	3,543	1,772	1,771
Consultancy fees	5,117	2,559	2,558	13,433	6,717	6,716
Trustee expenses	600	300	300	600	300	300
<b>TOTAL EXPENSES</b>	<b>167,075</b>	<b>126,592</b>	<b>40,483</b>	<b>173,332</b>	<b>131,797</b>	<b>41,535</b>