



# the Charterhouse

Formally known as Sutton's Hospital in Charterhouse



## Report and Accounts

Year ended 25th March 2021

*Living the nation's history since 1348*



# Master's Foreword

***Ann Kenrick OBE, Master of the Charterhouse***

From its foundation, the Charterhouse has endured in spite of adversity, surviving plague and other difficulties. Yet it always comes back stronger, and the past year is no different.

This has been a heartening thought to hold onto in the dark days of winter. It has been a privilege, but also an enormous challenge to lead the charity over this period. The past year has led me to reflect often on the meaning of community and I have been reminded time and time again how lucky we are in our mutually supportive 'Brothers' (residents), in our resilient team of dedicated staff, in our hard-working Governors, in our volunteers and in our broad network of strong Friends and other institutional and personal supporters.

Our foremost concern is the wellbeing and quality of life of the Charterhouse Brothers. Support to Charterhouse School is also important. Everything we do is balanced against these two charitable objects.

The Charterhouse has been described recently as a '400-year-old start up' and, much like other new businesses, it has had to draw this year on its resilience, innovation and creativity to respond to and manage the economic and health challenges of

the pandemic. We had to act swiftly to transform our operations to protect the community including closing the gates to the public, sending all but essential staff home to work, or on furlough, and moving many activities online.

We started the financial year with a healthy return to surplus which positioned us well. We responded to the abrupt end of income from venue hire and tours with a sharp reduction of all but essential maintenance spend and, with enormous regret, by reducing our team by a quarter. It has been hard having to make these decisions, but ultimately we have managed to end the year in a healthier financial position than originally feared. This was helped by grants and donations from supporters to whom the whole community is immensely grateful.

As we re-open the site to the public we are indebted to our Chair of Governors, Major General Andrew Ritchie, whose supportive and insightful leadership means that we look forward with optimism. In addition, we are confident that the stewardship of our new Director of Finance will assure the current charity a robust future as the guardian of Thomas Sutton's original legacy.



The Master's Court

## Report of the Governors

**Royal Governors:** Her Majesty The Queen

His Royal Highness The Prince of Wales KG KT GCB OM AK QSO ADC AC GCL CC CMM

**Archiepiscopal Governor:** The Most Reverend and Right Honourable Justin Welby MA BA DipMin  
Lord Archbishop of Canterbury

## Governors

Major General Andrew Ritchie CBE (Chair)

Caroline Abrahams CBE

Sufina Ahmad MBE

Baroness Andrews of Southover OBE MA DPhil DLaws

Timothy Boxell LLB

Caroline Cassels LVO RGN DMS

Bernadette Cunningham MBA

David Farnsworth

Dr Michael Harding MBBS MRCS LRCP DRCOG

Peter Hodgson CBE FCA DL

Daniel Hodson MA FCT

Simon Kitching FRICS

Kate McLeod MSc

Rebecca Munns

Wilf Weeks OBE

The responsibility for the management of the Charterhouse is vested in its Charity Trustees, who are the Governors. The Royal Governors and the Archiepiscopal Governor have no management responsibilities and are not Charity Trustees. Each Governor takes a specific interest in the individual welfare of up to three Brothers.

New Governors are appointed by the body of the existing Governors, known as the Assembly, based on their professional experience and their expected contribution towards the furtherance of the objectives of the Charity.

## Patrons

The Duke of Norfolk DL

The Bishop of London, the Rt Revd and Rt Hon Dame Sarah Mullally DBE

Michael Cassidy CBE

The Most Honourable The Marquess of Salisbury KCVO PC DL

# Lockdown Life

“ As a Brother at the Charterhouse I have felt safe and well looked after; these are such unique circumstances and I feel the Master has had to make difficult decisions which were necessary for the community. We have had slightly different rules within the Charterhouse due to our communal set up and although some restrictions were tighter than the Government guidelines, I appreciate the necessity for it. ”

**Mansel David, Brother**

“ Members of the senior management team and the board of Governors attended personally to assist on site during times of staff shortage, including to help care for residents and support with day to day managerial and administrative functions. Staff told us they wanted to acknowledge their appreciation and sustain the sense of community and continuity within the home. ”

**Care Quality  
Commission report on  
Infection Control**

## The Clerk to the Brothers, Hannah Crane, reflects on the good, the bad and the challenging times over the last year.

In March 2020 the Coronavirus pandemic hit and the Master acted swiftly to lock down the Charterhouse to protect our community ahead of the Government restrictions. Sadly, the virus entered our walls and we lost Dr Bill Frankland, Brother Colin Tolworthy and Brother Andrew Rivera all in just over a month. Losing friends in this way hit the community hard and brought the magnitude of the situation to the forefront. It was upsetting for the Brothers not to be able to attend the funeral services, so it was vital to start 'thinking outside of the box'. We live streamed Brother Colin Tolworthy's funeral and the funeral procession for Brother Andrew Rivera drove round Preacher's Court before going to the crematorium. This was such a touching tribute and enabled the Brothers to pay their respects even though they could not attend the funeral. It was such a success that we did the same with Brother Rory Macpherson's hearse following his son Hugo playing the bagpipes. This has now become a new Charterhouse tradition.

The first lockdown was particularly challenging, mitigated by the good weather and our stunning gardens. Brothers enjoyed taking part in 'wear a different colour or pattern' each day and were very imaginative in their choices! We sent out regular 'guess the staff member as a baby', quizzes and links for lectures, concerts and virtual tours. Brothers who had previously avoided the use of mobile phones and tablets, learnt how to get online and use video calls as a way of communicating with loved ones.

Some Brothers reported a decline in their mental health as it was difficult to allow them more freedom, given the national guidelines, but we were able to preempt crises with links and numbers for support groups. When the second and third lockdown were imposed, the Master introduced 'home or away' options, allowing Brothers to make an informed choice on whether to eat communally and stay in or eat in their rooms and leave the site. To quote one Brother 'Although we have had to create to some extent two communities in one, it has not led to divisions', showing the success of this scheme.

The appointment of our first female Preacher, Canon Ann, in October provided much needed pastoral support for all and Brothers have commented on how regular contact from their Governors has been instrumental in keeping their morale high and knowing that they are truly supported.

Despite the bad times, the Brothers coped brilliantly with the constant change in restrictions, moving to meal collections which they carried out with military precision in order



Brothers gathered in the Great Chamber to celebrate the refurbishment

## Lockdown Life *continued*

to maintain social distancing and ensuring no close interaction within the community. Although it was mentally challenging for the Brothers to adapt to this new way of life, many, if not all, embraced it in one way or another.

The reduced staff team used their imagination to organise socially distanced events like a 100<sup>th</sup> birthday party for Molly Price Smith in the Infirmary, VE Day celebrations, an open-air concert by the Pegasus Choir, numerous delicious barbecues in the gardens and musical entertainment from students at the local Guildhall School of Music over Christmas dinner.

As a nation, we clapped for the NHS and celebrated Captain Sir Tom Moore, however we must not overlook our own Charterhouse heroes! Philip Bacon and John Cooper have been invaluable in the Chapel, taking services when we had no Preacher and making sure it was disinfected after use, Walter entertained us all by playing wartime songs during meal collections. Sue Payn ran numerous errands for many Brothers always with a



The Infirmary team confirming care plans on a hand held device

smile on her face. Gillie tended our gardens which are so important to the Brothers' wellbeing. Brian Reeve was one of many Brothers delivering meals and shopping to Brothers in self-isolation. Michele Wade continued to work throughout the pandemic and regularly brought in treats from the patisserie. Rakesh kept our media profile high with local interviews, blogs etc. I could go on and on as every Brother has helped

“ I would like to add that I am personally really grateful for all that has been done to keep Brothers on an even keel in these distracted times. I sincerely hope that we can maintain such a level right to the end. If that is to be some months ahead, so be it. ”

**Graham Matthews, Brother**

“ During the Coronavirus I have been at the Charterhouse which is like a little piece of paradise. ”

**Sue Payn, Brother**



Brothers attending Remembrance service

either supporting other Brothers, contributing on the estate or supporting the reduced staff. I think they all deserve recognition for the positivity they showed this last year.

At the beginning of 2021 the Director of Health and Wellbeing and Infirmary Manager secured rapid testing kits to enable us to test Brothers and staff weekly which increased peace of mind. They organised vaccinations for all of the Brothers by our local GP practice which were an instant morale booster. The Infirmary and domiciliary care team were also true heroes, many staff offering to undertake extra shifts or stay overnight at the Charterhouse to help cover shifts and reduce the risk of travelling on public transport. At one stage there were 10 staff out of a team of 23 who were not able to work due to having to self-isolate or being furloughed due to health issues. The team came together led by Stafford Cunningham whose popular quote was '*You have to just*

*keep putting one foot in front of the other and keep going.*' We even had one Governor (a former matron) come in and roll up her sleeves to help out.

The team should all be applauded for their commitment, care and love to the residents and Brothers to help keep them safe during this time.

As a community the Brothers said goodbye to some staff members and welcomed others. When I spoke to them about writing this piece, many nominated staff members, particularly the kitchen staff, as their 'Charterhouse heroes' which shows that we are all part of one community.

Despite the bad times and the challenges over the last year, the community demonstrated an overarching quality of kindness and a culture of care at the Charterhouse which has kept our spirits high and enhanced our resilience in the past year. We all look forward to the future.



A Brother watering the pots

“ I want to thank you and the staff from the bottom of my heart for all you have done to date in getting us through the pandemic (although we're far from out of the woods).

Though the lockdown has been extremely hard for many in the community, your extraordinary efforts and those of your work colleagues as we cautiously emerge out of lockdown, have been outstanding.

I am aware of some of the difficult and at times painful decisions that you have had to make. Indeed, perhaps in the history of the Charterhouse no other Master has had to guide the charity through such difficult times. It is clear that throughout this challenging period your focus has been primarily on the welfare of the Brothers and infirmary residents as well as the overwhelming challenges of a locked-down Charterhouse.

Your positive spirit and deep concern for the Brothers have kept us going. No one should underestimate your deep commitment to keeping us all safe.

I fully appreciate the enormous stress and strain that you and your colleagues have had to endure in the past few months, especially you as Master and I just want to say a BIG, BIG thank you.

Stephen McGhee, Brother



A Brother in the garden

# The History

## Living the nation's history since 1348

Over its long history, the Charterhouse has witnessed many of the events that have shaped our nation. The story begins in 1348 during the Black Death, when the land was used as a burial ground for victims of plague. In 1371 a Carthusian monastery was built on the site which flourished with a Prior and 24 monks accommodated in two-storey houses arranged around a characteristically large cloister garth, and the church built alongside the burial ground became the priory church.

In 1535, the monks refused to align themselves with Henry VIII's Act of Supremacy and some were executed at Tyburn in a most brutal way. The monastery was suppressed in 1538 and passed to the Crown. Subsequently it was granted to Sir Edward North, who constructed a fine Tudor mansion which was later sold in 1564 to the fourth Duke of Norfolk, who further embellished it. Elizabeth I convened the Privy Council in the Great Chamber in the days before her coronation in 1558 and James I used the Great Chamber to create 130 new Barons before he was crowned. Today this glorious Chamber is available for private hire.

In 1611 Thomas Sutton bought the Charterhouse and established the foundation that now bears his name. Sutton was said to be the wealthiest commoner in England. He had held the post of Master of the Ordnance in the Northern Parts from 1568 to 1594 and his involvement in the coal trade, advantageous property dealings and money lending had allowed him to amass a considerable fortune. Thomas Sutton's will provided for up to 80 'either decrepit or old captaynes either at sea or at land, maimed or disabled soldiers,

merchants fallen on hard times, those ruined by shipwreck or other calamity' and 40 poor scholars. James I retained his connection with the Charterhouse, becoming the first Royal Governor and two Royal Governors now serve the charity as well as our 15 other Governors. Wellington, Gladstone and Cromwell have all been Governors.

The Charterhouse appears in the writings of Daniel Defoe, Charles Dickens and William Makepeace Thackeray. Indeed, Thackeray, Robert Baden-Powell and John Wesley attended school here. When the school moved to Godalming in 1872, the Brothers – as they are known – remained at the Charterhouse in Clerkenwell and there is still a flourishing community of Brothers living independent, purposeful lives here today.

The school was reconstituted as a separate registered charity in 1905. Sutton's Hospital sustained much damage during the Second World War but was faithfully restored by the architects Seely and Paget, opening its doors again in 1951.



The ceiling in the Great Chamber

“ To all of us the Charterhouse is a very rare historic building of huge significance with the only remaining Tudor Hall in London, now so magnificently restored. In addition we were so impressed with the beautiful chapel and so many other important rooms courtyards and gardens. As a stand-alone historic building the Charterhouse is of the first order, but the fact that it remains an active almshouse means its value to society is even more important. ”

**James Birch, Former President of Historic Houses Association**



The Norfolk Cloister

# The Charterhouse Today

“ I have been delighted to support the Charterhouse and have enjoyed watching its development over the past years and I am pleased that it is now open to a much wider audience and is an important part of the local community. I think you have done a tremendous job in broadening its appeal and I am only sorry that after all the hard work of you and your colleagues, you must now face the challenge of this dreadful virus. ”

**Nigel Linwood, Diploma plc  
Corporate Supporter**

## Development

During the year 2020/21, like many charities, the Charterhouse recognised the changed climate for fundraising. We limited activity to maintaining current relationships with members of the Friends' scheme and with established donors. The charity was nevertheless grateful to receive donations from individuals, Friends, trusts and foundations, as well as support from some local companies. Highlights supported by specific donors include the loan and display of a collection of paintings of significant importance belonging to Sir Richard Sutton Limited, and the conservation and rehang of Luca Giordano's 'The Visitation of the Virgin Mary to St Elizabeth' in the Chapel. Other donations went towards additional bike storage for Brothers wishing to avoid public transport, adaptation of the site to improve access for less mobile Brothers and customised Charterhouse masks for all.

## Revealing the Charterhouse

Sutton's bequest made no provision for conservation of the Charterhouse or its collections – he would be astonished to see the almshouse still occupying buildings he knew himself. In order to secure the future of his legacy, a major project was conceived and funded and in 2017 we opened up to the public revealing the seven acres of buildings and gardens for tours and events, with a Museum, Learning Centre and shop. For the first time the public also had access to Charterhouse Square which was sensitively landscaped as part of the project, creating an urban oasis at the edge of the City enhanced by pedestrianisation of one side of the square. By March 2020 92,500 visitors had discovered the Charterhouse. At the same time, we set up the Friends of the Charterhouse scheme, and with the support of our Friends, and others, we have raised funds to carry out conservation of our historic collections and to maintain the fabric of this unique estate.

## Almshouse

The Charterhouse is home to a community of Brothers (a traditional term acknowledging the Charterhouse's monastic past) who benefit from the charity established by Thomas Sutton in 1611. What marks it out from the over 2000 almshouses in England is that the Brothers live as a community. They live independently in private flats, while being part of a community which offers companionship and support, eating together in the historic 16th century Great Hall and getting involved in social activities and volunteering in the gardens or leading tours. In the last four years the composition has broadened significantly with the welcoming of a more diverse range of individuals,



The Queen joins us to 'reveal' the Charterhouse in 2017

## The Charterhouse Today *continued*



The Infirmary memorial stone

and women now make up over 10% of the community. At the same time the common denominator remains that they all in their own way have made a significant contribution to society in a wide variety of working lives including as teachers, lieders singers, actors, clergy, archivists, journalists, lawyers and illusionists.

The main criteria for entry are for applicants to be in financial, housing and social need and to wish to contribute to the community. They also need to have the right to live in the UK, be single, over 60, able to live independently, have enjoyed good physical and mental health for at least two years and have no significant debts. Demand for places has grown over the last year but we welcome applications from a diverse range of candidates.



The Infirmary and gardens

### Brothers

At the beginning of the year there were 42 Brothers living at the Charterhouse. Sadly, due to the pandemic we lost Brother Andrew Rivera and Brother Colin Tolworthy early on and later in the year Brother Rory MacPherson and Geoffrey Lee also died. Another Brother Stanley Underhill moved out to support an ageing close friend. The loss of four Brothers hit the community hard, at a time when social interaction was seriously limited but the Brothers were unanimous in their appreciation of the gardens and staff. A recent review of their volunteering activities identified that the vast majority helped the charity last year with tours, gardening, cleaning, Chapel duties, bell ringing and support for fellow less mobile Brothers with shopping and laundry.

We have welcomed new Brothers Allan Edun and Susan McIlroy who have quickly become popular members of the community, supporting other Brothers and striking up firm friendships. As we enter 2021, we now have 39 Brothers with the hope of further admissions later this year.

### Infirmary

The Queen Elizabeth II Infirmary provides care for up to 11 residents in a caring, friendly and welcoming environment looking out over the gardens. During this year staff have cared for four Brothers and seven private residents.

Over this difficult year the manager of the Infirmary, closely followed the Government, NHS and Islington Public Heath team advice. In addition, the support given to us from the local GP – The Neaman Practice – was excellent. The Care Quality Commission (CQC) undertook a focussed inspection on

Infection and Control, reporting that the standard of infection control was good. The overall rating remained good.

This was a challenging time for residents who were unable to see family members or friends for several months. It also proved a financially challenging year with higher agency and transport costs to protect our staff. However, the charity was delighted to benefit from grants from Islington Council which have helped with the costs of PPE, staffing and encouraging staff to have the vaccination.



Outdoor service to mark the death of Royal Governor HRH The Duke of Edinburgh

## Chapel

Making history and living in history became her catchphrase when our new Preacher, Canon Ann Clarke, took up her post in October 2020 as the first female Preacher of the Charterhouse.

Her licensing ceremony was, due to COVID, a small in-house service and was another historic event conducted by the first female Bishop of London, and the first female Master of the Charterhouse.

Arriving in the middle of a pandemic presented obvious challenges as

we entered two further lockdowns. The one positive for the Preacher was being able to get to know the Brothers, staff and others living on site very well. Keeping up the morale of the Brothers and staff has been very important during this period and a steady offering of greeting cards and phone calls helped.

It has been a privilege for her, despite restrictions, to offer daily Morning and Evening Prayer and a Sunday Eucharist. There have been one or two special services, a Remembrance Day service taken outside in the Chapel Court

and a beautiful Carol Service which was pre-recorded and streamed on YouTube. This was viewed by over 1,500 people worldwide.

We were able to have a full range of in-house Christmas services, introducing some new features. A regular 20% of Brothers attend weekday prayers and up to 45% on Sundays and special services.

The death of our Royal Governor Prince Philip was marked with a special service.

In the first half of the year two Brothers and one resident died. Since the autumn, three Brothers have died, and it was a privilege for the Preacher to conduct their funerals and support their families. We look forward to welcoming the public back to worship with us.



The licensing of the Preacher

## Property Portfolio

The charity's investment property income is derived from a mixed-use portfolio made up of residential and commercial premises, comprising a total of 16 commercial and 19 residential properties. The majority of the properties are located either in

# The Charterhouse Today *continued*

or around the Charterhouse including the garden square itself, whilst some of the portfolio is slightly further afield in Kingston upon Thames, Colchester, Liverpool and Leeds.

The tenure mix of the portfolio is a combination of freehold and long leasehold and subject to a range of lease and tenancy agreements together with some long dated (geared ground rent) income which helps spread risk and protect security of income across the portfolio.

Looking back over the past year and fortunately, with relatively low exposure to retail and leisure properties, the portfolio has performed reasonably well. Positives include the refurbishment and re-letting of three flats, re-letting of a retail warehouse in Liverpool and positive rent reviews of office premises. Negatives include retail and leisure occupiers not meeting their rental obligations as a result of the pandemic and the loss of some commercial tenants at 13/14 Charterhouse Square. However this presents us with the opportunity to reposition the accommodation and to assist us with lease renewal negotiations. We continue to actively manage the portfolio and follow Government guidance on working out of lockdown and some form of normality returns to the property market.



The Senior Management Team

## Charterhouse School

In 1872 the School moved out of London but the association between the School and the London Charterhouse has continued to this day with representative 'observers' sitting on each Governing Board. The annual provision of financial support to Charterhouse School is delivered based on an agreed historical calculation and is used to provide bursaries to students in need.

The School and the Charterhouse in London enjoy a close relationship, with the Charterhouse hosting an annual Founder's Day service and dinner for the School alumni to commemorate Thomas Sutton. Pupils come to the Charterhouse for educational visits.

The charity has also benefited from generous donations from former pupils (Old Carthusians). The School has welcomed girls in the sixth form for decades and is soon to become fully co-educational, mirroring the almshouse which has welcomed women residents since 2017.

## Staff

The Charterhouse employs around 50 permanent staff and up to 25 'bank' staff, who support permanent staff across most departments when the need arises. Due to the nature of our activities, we employ people with experience in their specific sectors, including Healthcare, Estates Management, Catering, Museums and Hospitality, in addition to regular office and management functions. Staffing was affected by the pandemic, and the charity regrettably had to let go 25% of its workforce.

It was very sad to see key members of our community leave. The remaining staff adapted magnificently over the last year to the challenge of maintaining the Brothers' morale, to continuing public engagement and to keeping the estate in shape. The team is now looking forward to building on its new structure and workforce over the coming years.



The long walk, Charterhouse School

# Highlights of the Year

## Diversity and Inclusion

In general, almshouses can lack diversity as they were often founded exclusively for individuals based on narrowly defined criteria (geographical, gender, professional background etc). We are proud that the Charterhouse community demonstrates diversity in its range of professions represented and encourages an environment of liberal thought and mutual support. Since we opened our doors to women in 2017, we have welcomed equal numbers of men and women with backgrounds in farming, teaching, acting, sales, the civil service, journalism and volunteer management.

The Charterhouse is committed to diversity and inclusion in all aspects of its operation and this last year has seen a comprehensive revisiting of its historic past and present practices.

A dynamic working group has been set up comprising Governors, staff and now Brothers to take this initiative forward led by our Preacher, Canon Ann and with volunteers also canvassed. Areas that have been reviewed and improved include policies, memorials, monitoring and recruitment. Like many long-standing institutions, our long and extraordinary history includes people and associations that are offensive to some.

Our ambition is to acknowledge and accept, but we also wish to learn and change. Recruitment is adapting in all areas. Much remains to be done, but in recent years the composition of the community has broadened significantly and become more diverse with women now making up over 10% of the Brothers' community, 63% of staff and nearly 50% of Governors. The internal response to our focus on this important matter has been overwhelmingly positive. Details of

progress so far can be viewed on our website. Working on diversity and inclusion is an ongoing process and we are committed to maintaining our momentum by continuing to focus on this vital area.

## Arts Council England Cultural Recovery Fund

In October 2020, the Charterhouse received £105,000 of ACE Cultural Recovery Funding to support the relaunch of its heritage offer following its closure to the public in March 2020. The grant has funded a business plan to review and refocus important commercial revenue streams. It has also supported an audit of our volunteering programme, funded salaries, and has paid for additional equipment and technology to upgrade the visitor and commercial venue hire experience. It has also supported new interpretation to enhance the public offer and has enabled us to acquire a range of equipment to ensure that all visitors, staff and Brothers feel safe when the public returns to the Charterhouse. In April 2021, the Charterhouse received confirmation of its successful application for a further £54,000 of ACE funding, which is being used primarily to support the relaunch of its commercial venue hire offer.

## Creativity and Innovation in Communication

With no opportunity for direct engagement with our public audiences, it was crucial we maximised our online communications to maintain and grow interest in the charity over this pandemic period. A reduced public engagement team faced the challenge of being creative and innovative with limited resources in a highly competitive environment. The team rose to the challenge, learning



Creative communications - online flower festival

## Highlights of the Year *continued*

new digital skills, and created a new programme of online lectures with a wide range of topics relating to the Charterhouse. In September, the team also curated a two-day online festival focusing on wellbeing, flowers and gardening.

Our Community Engagement Officer devised a series of online workshops engaging with local groups and using the new Great Chamber to stimulate art and poetry. We sent out more newsletters than usual, with personal filmed messages from the Master. Videos were also a powerful way to keep staff and Brothers updated and supported. Monthly video diaries by our Head Gardener gave the public a welcome glimpse into her work and the changes in the gardens. New people are taking an interest in the Charterhouse as a result, growing our social media audiences by 32% over the year, and generating income for the charity through online donations.

### **The Refreshment and Beautification of the Great Chamber**

While Covid-19 presented additional challenges, the capital elements of the £850,000 project, part funded by a £391,000 grant from

the National Lottery Heritage Fund, were completed over the course of the summer of 2020 with measures put in place to ensure the safety of Brothers, staff and contractors.

Support from long-standing donors enabled us to commission a copy of the sieve portrait of Queen Elizabeth I shown on the right, by the renowned artist and copyist Ying Yang.

The project has reinterpreted the original splendour of the space. The walls are now lined with moiré silk, a hanging scheme of portraits is in place following significant research into all the sitters, a new oak floor is installed recalling the uneven planks that would have been familiar to Elizabeth I when she held court within the Charterhouse, and modern lighting and technology to enable flexible use of the space for commercial and community events.

Of equal importance, the related engagement and learning activities inspired by the Great Chamber have been delivered through virtual means while physical contact has not been possible, and the new Great Chamber pages of the website ensured that the public could follow the transformation while our doors remained closed.



Portrait of Queen Elizabeth I in the Great Chamber

### ***Our objectives***

**The charity's objectives continue to be the provision of accommodation and care for the Brothers and financial support to Charterhouse School.**

The Governors are also aware of their responsibilities to maintain the Grade One Listed historic buildings in which the charity operates. The specific steps that the Governors propose to take to implement their strategy can be summarised as follows:

- to continue to promote all aspects of the welfare of the Brothers;
- to continue to maintain the highest standards of care in the Infirmary;
- to continue to provide income to support Charterhouse School;
- to increase public access to the Charterhouse.

It is within this framework that the Governors' current plans are:

- to implement financial and property strategies that permit the charity to undertake its stated objectives;
- to continue to implement the repairs and maintenance programme for the buildings and to work with appropriate agencies to preserve and where possible enhance the unique heritage legacy;
- to increase gradually, the number of Brothers to a target of 50.



The Great Chamber

# Structure, Governance and Management



## Charity Constitution

The charity was incorporated by Letters Patent on 22 June 1611 under the name of "The Hospital of King James founded in Charterhouse" and was confirmed by Act of Parliament in 1628. The latest Order in Parliament relating to its affairs is The Charities (Sutton's Hospital in Charterhouse) Order 1983 (1983 No 588). On 8 December 2009, the Charity Commission sealed a new Scheme to regulate the affairs of the charity ("the 2009 Scheme"). The Commission has advised the Governors that Parliamentary approval for the 2009 Scheme is not required.

Carthusia Ltd is a wholly owned subsidiary of the Hospital Fund which conducts all non-primary purpose trading activities for the Charterhouse. It operates on an arms-length basis from the charity and has a separate board of directors. The share capital of £1 is wholly owned by the Hospital Fund. All profit before

tax is Gift-Aided to the Hospital. The accounts of the company for 2021 and 2020 are consolidated within those of the charity.

In order to discharge their functions effectively, the Governors delegate certain aspects of the management of the charity to the committees of the Assembly. The terms of reference of each of these committees were reviewed and approved by the Assembly in the current year. Trustees are required to disclose all relevant interests and register them with the Clerk to the Governors and in accordance with the Trust's policy withdraw from decisions where a conflict of interest arises.

## Statement of the Governors' Financial Responsibilities

The Governors, as Trustees, are responsible for preparing the Annual Report and the financial statements, in accordance with applicable law



The Chair, Governors, Brothers and staff before the annual garden party

# Structure, Governance and Management *continued*

“ The Charterhouse is a landmark institution and a uniquely preserved heritage location in Islington with an international reputation. It has a strong sense of place and works in partnership with other cultural institutions in the area to share this unique story with the local community. The Charterhouse is a highly valued partner for Islington Council, contributing free cultural activities for children and young people through the Council’s flagship 11 by 11 programme and for elders through our Dementia Friendly Steering Group. The organisation has a deep sustained commitment to the local community, and the Council wholeheartedly supports its application to the Arts Council. ”

**Islington Council**

and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities Statement of Recommended Practice;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;

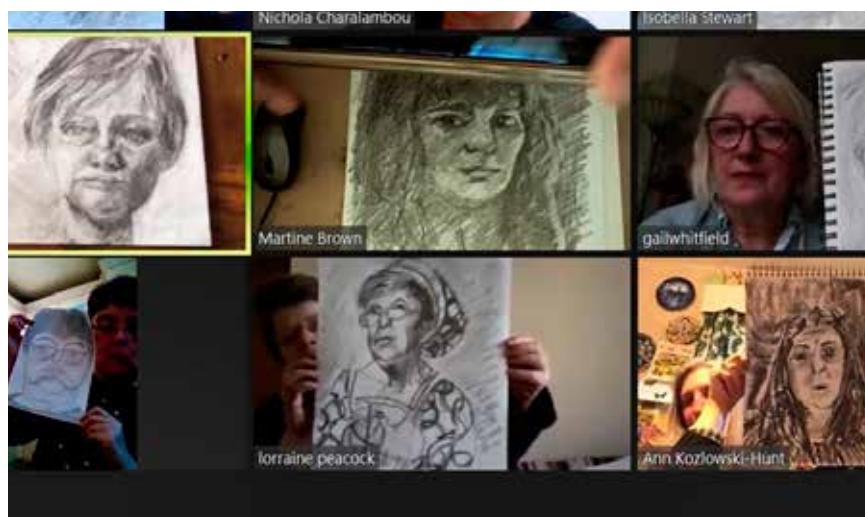
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Governors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the 2009 Scheme. They are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## Public Benefit

The Governors confirm that they have had regard to the Charity Commission’s published guidance on public benefit and have taken this into account in connection with the charity’s activities. The benefits of the charity’s activities and achievements and their relationship with its objects are described above. It is not considered that those activities give rise to any detriment or harm. In setting the policy for admission of Brothers, the Governors seek to ensure that the opportunity to benefit is extended to those in greatest need of the assistance the charity can provide, at the same time maintaining a balanced and harmonious community. It is not considered that the activities of the charity give rise to any private benefits other than those which are incidental to the carrying out of the objects.

Located on the edge of the City of London, the Charterhouse lies within the borough of Islington which has amongst the worst income deprivation of older people



A self-portrait workshop with a local organisation for older people



The Governors' Room

Our two Young Audience Creators took the lead in organising seven digital events for their peers establishing a relationship with music students from the Guildhall School of Music & Drama and Trinity Laban, who volunteered their time. These workshops played a key role in gathering content for the immersive Soundscape on our new Community Engagement web page and in raising awareness of the Charterhouse. The workshops were met with a great deal of enthusiasm and laid the foundations for further community engagement.

With the Chapel closed to the wider congregation our Preacher continued to work with the Clerkenwell Alliance project with hampers distributed at Christmas at a time when it was never harder nor more important to help people feel less isolated and more a part of their community.

## Sustainability

The Charterhouse is committed to being environmentally responsible in the way it is run. The key components of the policy are addressing climate change, reducing waste and encouraging biodiversity. The evaluation and operation of the policy and associated procedures is monitored and reviewed by the Senior Management Team, with overview by the Governors, to ensure that they remain effective and appropriate to the activities of the Charterhouse.

in England. Since 2017 Charterhouse Square, formerly restricted to use by the Brothers, has been open to the public offering green space to local office workers and school children. During the lockdowns we extended opening to seven days a week to provide much needed exercise space in Islington, which is the borough with the least open space in London. Our usual learning programmes for primary, secondary and SEND pupils had to be temporarily mothballed, but some educational activities moved online. We look forward to returning to partnership work with Culture Mile to further develop its ambition to become a global hub for creativity, innovation and learning.

This year we had to close our rooms to local community projects, but our outreach programme shifted online. The Community Engagement team recognised that it had become even more vital to engage with those who were isolated and vulnerable outside of our walls, at this turbulent time.

A series of creative writing, poetry and arts workshops inspired by the Great Chamber were delivered. We also launched our new *Charterhouse Lives* programme early this year aiming to offer a relaxed, sociable event with a Charterhouse speaker which became one of our most popular engagement offers, with an average of 25 participants from across the community – including Friends of the Charterhouse, volunteers, and others from our key partners for 2020-21 below:

- Claremont Project (older local people)
- BlindAid (blind & visually impaired Londoners)
- Age UK Islington (mainly older people in the borough)
- The Poetry Society (Bristol City Poet Caleb Parkin & Foyle Young Poets)
- North London Cares (intergenerational neighbourhood project)

# Structure, Governance and Management *continued*

## Internal Control and Risk Management

The Charterhouse operates within a control framework appropriate for its size and seeks to ensure that risks are identified, quantified and managed appropriately. There is a comprehensive risk register which is reviewed by the Governors annually. The Charterhouse has also established a number of committees which meet at least twice a year to focus specifically on all sectors in which the Charterhouse operates. The principal risks faced by the Charterhouse are shown below.

**Covid-19 Risk** The impact of Covid-19 on our work became evident early in the year. We responded quickly to establish teams to support our priorities during the pandemic ranging from employee and tenant support, operations and public relations, through to internal functions including finance and IT.

**Strategic Risk** Each year the Charterhouse writes a five-year business plan, as well as preparing rolling forecasts for the year ahead. As part of this process a review is undertaken of long-term trends to assess options for continued and ongoing viability of the Charterhouse operations.

**Property Risk** The principal property risk is the loss of income. A full review of tenants and sectors is undertaken annually to ensure a well-diversified tenant base and staggered lease expiries and to assess the target of improving the covenant strength and diversification across the Charterhouse portfolio.

**Financial Portfolio Risk** The Charterhouse uses independent investment managers to manage the financial portfolio on a day-to-day basis. The portfolio is reviewed regularly during the year to ensure that it remains in line with the risk and return objectives set by the Charterhouse.

**Liquidity Risk** The Charterhouse seeks to maintain liquidity within its financial portfolio to satisfy short-term cash requirements as well as to maintain headroom. Long-term liquidity is reviewed and addressed as part of the five-year business plan process.

**Cyber Risk** The Charterhouse is acutely aware that our corporate IT systems are at the core of our operations and although secure, could be exposed to criminal cyber-attacks. This risk is mitigated by advanced IT safeguards and frequent monitoring.

**Reputational Risk** The Charterhouse gives ongoing consideration regarding any of its acts or omissions that could adversely impact the reputation of the Charterhouse or the Governors.

The Governors are responsible for ensuring that an effective system of internal financial controls is maintained and operated by the Charterhouse. The Governors' review of the system of these controls is informed by comments made by the external auditors in their management letter and other reports.



The Great Hall

Outlined below are both the membership of each committee as at 25 March 2021 and brief highlights of their respective terms of reference:

#### Audit Committee

- |                       |   |
|-----------------------|---|
| Peter Hodgson (Chair) | ➤ To liaise with the external auditors                          |
| Rebecca Munns         | ➤ To review risk management issues                              |
| Kate McLeod           | ➤ To monitor internal controls                                  |
| Sufina Ahmad          | ➤ To ensure compliance with Financial Reporting Standards       |
|                       | ➤ To oversee all matters of compliance and regulatory reporting |

#### Finance and General Purposes Committee

- |                       |   |
|-----------------------|---|
| Daniel Hodson (Chair) | ➤ To monitor the financial and legal/constitutional conduct of the Charity and advise the Assembly on financial performance |
| Peter Hodgson         |   |
| Rebecca Munns         |   |
| Simon Kitching        | ➤ To approve financial terms and conditions for the staff   |
| Andrew Ritchie        |   |
| Bernadette Cunningham | ➤ To oversee the management of the charity's investments and monitor income   |
| Kate McLeod           | ➤ To oversee management of investment properties  |
|                       | ➤ To safeguard the condition of the historic buildings of the charity   |
|                       | ➤ To ensure the buildings are suitable for occupation by the Brothers   |
|                       | ➤ To implement a short and medium term programme of repairs and maintenance   |

#### Sub-Estates Committee

##### (reporting into the Finance and General Purposes Committee)

- |                               |   |
|-------------------------------|---|
| Bernadette Cunningham (Chair) | ➤ To oversee the property aspects of the Hospital site charity's affairs  |
| Andrew Ritchie                | ➤ To consider/review the annual budgets for estates management and property   |
| Simon Kitching                | ➤ To monitor implementation of, and performance against, budgets on a regular basis   |
|                               | ➤ To recommend to F&GP expenditure on any capital project   |
|                               | ➤ To oversee the management of Estates (H&S, maintenance, projects)   |
|                               | ➤ To assess the potential for lowering the carbon footprint and agree a programme for implementation of carbon reduction measures over the site |

#### Remuneration Committee

##### (reporting into the Finance and General Purposes Committee)

- |                     |  |
|---------------------|--|
| Kate McLeod (Chair) | ➤ To determine remuneration and benefits as it applies to all employees      |
| Caroline Cassels    |  |
| David Farnsworth    | ➤ To review the remuneration strategy and policy of the charity periodically |
|                     | ➤ To determine any remuneration and benefits for Governors                   |

#### Carthusia Board Directors

- |                        |   |
|------------------------|---|
| Andrew Ritchie (Chair) | ➤ To consider/approve the annual revenue and capital budgets                          |
| Daniel Hodson          | ➤ To monitor implementation of, and performance against, budgets on a regular basis   |
| Peter Hodgson          | ➤ To oversee, and ensure compliance with, the Financial Control Policy                |
| Ann Kenrick            | ➤ To advise Assembly on strategic financial planning including forecasting            |
|                        | ➤ To consider and review all relevant risks and liabilities that might arise          |
|                        | ➤ To review the annual accounts ahead of submission to the Assembly's Audit Committee |

#### Hospital Care Committee

- |                          |  |
|--------------------------|--|
| Caroline Cassels (Chair) | ➤ To oversee all aspects of the care and welfare of the Brothers   |
| Andrew Ritchie           | ➤ To oversee all aspects of Health and Safety  |
| Michael Harding          |  |
| Tim Boxell               | ➤ To ensure compliance with procedures and rules of the regulatory agencies responsible for medical and care matters |
| Caroline Abrahams        |  |

#### Heritage Committee

- |                       |  |
|-----------------------|--|
| Kay Andrews (Chair)   | ➤ To advise Governors on the heritage, conservation and sustainability of the site and its contents  |
| Simon Kitching        |  |
| Bernadette Cunningham | ➤ To have oversight of site development plans  |
| Wilf Weeks            | ➤ To make recommendations to F & GP on the allocation of resources for their repair and conservation |

#### Development Committee

- |                    |   |
|--------------------|---|
| Wilf Weeks (Chair) | ➤ To approve Development strategy including all Cases for Support                         |
| David Farnsworth   |   |
| Andrew Ritchie     | ➤ To approve methods of fundraising and development                                       |
| Sufina Ahmad       |   |
| Caroline Abrahams  | ➤ To monitor and support the Friends' Scheme with a view to growing the number of members |

# Financial Review

## Principle Funds

The charity operates two principal endowment funds, the General Fund and the Hospital Branch Fund. The income of both funds comprises rents from property and dividends and interest from the charity's other investments. As defined by the 2009 Scheme, the General Fund meets a proportion of the residential costs and the whole of the management and support costs of the charity. The net income of the General Fund is divided equally (the Moiety) between Charterhouse School and the Hospital Branch Fund.

Under the terms of the original Charity Commission Scheme of 1872, the charity continues to support the School by distributing a prescribed amount of its income. The Moiety for the 2020/21 year under the provisions of the 2009 Scheme is £448,000 (2020: £477,000) and this sum is distributed to both Charterhouse School and the Hospital Fund once the accounts have been approved by the Governors and audited.

The Hospital Branch Fund meets the majority of the costs of providing long term residential care for the Brothers, who also make a contribution to the overall care costs. The Hospital Branch Fund also meets 75% of the costs of the repair and maintenance of the charity's historic buildings.

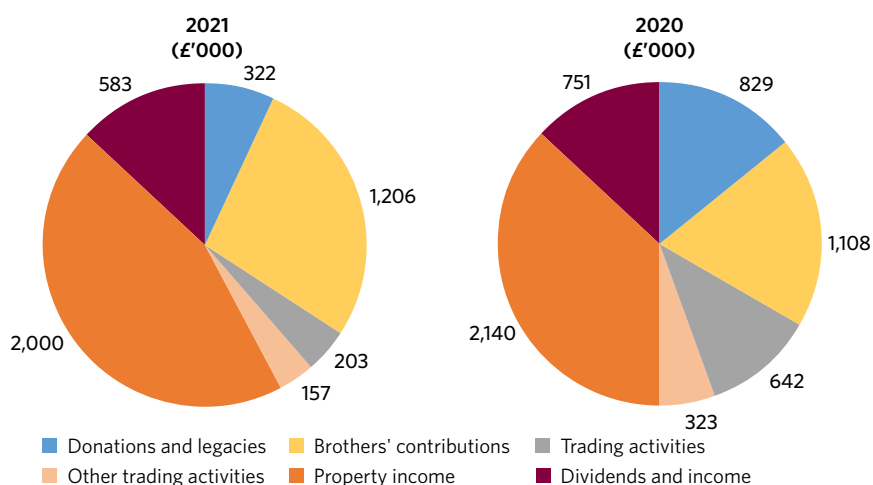
## Investment Policy

The charity's General Fund and Hospital Branch Fund are permanently endowed. This means that it is entitled to spend income to support its operations but cannot spend its capital or any capital growth. The investment strategy therefore focuses on the need to provide adequate income over the long term to fund both the operations of the Hospital, and provide financial support to the School, having due regard to the need to protect and enhance the capital value of the endowments. Each of our three Investment Managers is responsible for the management of a proportion of the charity's financial investments, and manages the investments of the General Fund and the Hospital Branch Fund on a consolidated basis. The Assembly has instructed each Investment Manager to pursue a policy which sets a target for the overall performance of the portfolio; these targets have been established at RPI plus 4% per annum on a rolling five year basis.

There are currently no specific constraints on the Charterhouse portfolio in terms of ethical, social or environmental (ESG) matters but the managers of the portfolio are expected to take ESG issues into consideration when assessing individual investments and actively engage with company management to improve their ESG policies and practices.

## Income

Total income fell in the year from £5.8m to £4.5m as donations and trading income fell due to the impact of the Covid-19 pandemic. The split of income across both years is as follows;

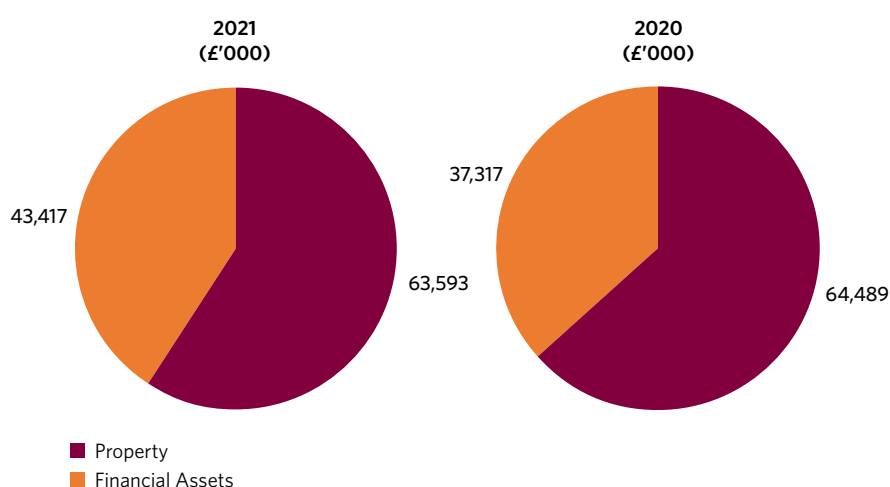


Total expenditure has risen slightly in the year from £5.0m to £5.1m. Whilst general overheads have fallen in the year, the Infirmary costs have increased mainly due to the additional measures required due to the Covid-19 pandemic.

## Property and Financial Investment Portfolios

The property portfolio decreased slightly in value by 1.4% (£0.9m) from £64.5m to £63.6m. The financial portfolio, however increased by 16.3% (£6.1m) from £37.3m to £43.4m. The changes are as a result of the underlying market movements.

The split by portfolio across both years is as follows;



The Governors adopted a Total Return Distribution Policy from 26 March 2015 for both the General and Hospital funds. The resolution was approved by the Charity Commission under section 282 of the Charity act 2011. The policy is based on a transfer of 3% of the 5 year average capital value of the fund, less actual income for the year.

The total return on the listed securities portfolio for the year was 17.6% (2020: 11.1%). This compares to the RPI plus 4% benchmark calculated at 5.5% for the year (2020: 6.4%).

## Reserves

	2021 Total £'000	2020 Total £'000
Endowment Fund – General	81,841	77,769
Endowment Fund – Hospital	25,891	25,190
Restricted Income Fund	198	396
Unrestricted Income Fund	724	582
Designated Fixed Assets	7,696	7,684
	<b>116,350</b>	<b>111,621</b>

The Governors established a balance of free reserves held in the Unrestricted Income Fund of the Hospital Branch Fund. These are designed to finance working capital requirements and to protect the operations of the charity against any unexpected fluctuations in income. The Governors have set a target of one year's expenditure (excluding the Moiety) as the desired level of free reserves.

## Charitable Donations

The charity made no charitable donations during either year outside the scope of its own activities. No donations were made for any political purpose in the current or previous year. That said, the charity has run joint events with other charities, associations and community groups in our space. This is seen as part of the Charterhouse's Good Neighbour scheme and wider engagement with the community helping to improve the lives and environment within which the charity, its staff and beneficiaries operate.

Approved by the Governors and signed of their behalf by;

Major General Andrew Ritchie CBE  
Chairman  
22 July 2021

## INDEPENDENT AUDITOR'S REPORT TO THE GOVERNORS OF SUTTON'S HOSPITAL IN CHARTERHOUSE For the year ended 25 March 2021

### Opinion

We have audited the financial statements of Sutton's Hospital in Charterhouse (the 'parent charity') and its subsidiary (the 'group') for the year ended 25 March 2021 which comprise the Group and parent charity Statement of Financial Activities, the Group and parent charity Balance Sheets, the Group Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and charity's affairs as at 25 March 2021 and of their incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

### Basis for opinion

We have been appointed as auditors under section 151 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

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

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

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

### Other information

The other information comprises the information included in the Annual Report and Accounts other than the financial statements and our auditor's report thereon. The Governors are responsible for the other information contained within the Annual Report and Accounts. Our opinion on the financial statements does not cover the other information and, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Annual Report; or
- sufficient accounting records have not been kept by the parent charity; or
- the parent charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

### Responsibilities of Governors

As explained more fully in the Statement of Governors' responsibilities set out on pages 13 and 14, the Governors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### Auditor's responsibilities for the audit of the financial statements

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

### The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework, that the group and parent charity operates in and how the group and parent charity is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Charities Act 2011, the parent charity's governing document and Charities (Protection and Social Investment) Act 2016. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Governors' Report, remaining alert to new or unusual transactions which may not be in accordance with the governing documents.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to the Care Act 2014. We performed audit procedures to inquire of management and those charged with governance whether the group is in compliance with these law and regulations and inspected correspondence with regulatory authorities.

The group audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business and challenging judgments and estimates.

A further description of our responsibilities for the audit of the financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

### Use of our report

This report is made solely to the charity's Governors as a body, in accordance with the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's Governors those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's Governors as a body, for our audit work, for this report, or for the opinions we have formed.

RSM UK Audit LLP  
Statutory Auditor  
Chartered Accountants  
25 Farringdon Street  
London  
EC4A 4AB

17th August 2021

RSM UK Audit LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006. .

## Consolidated Statement of Financial Activities

Year ended 25 March 2021

	Note	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	2021 Total £'000	2020 Total £'000
<b>Income and Endowments from:</b>						
Donations and legacies		39	283	-	322	829
Brothers' Contributions		1,206	-	-	1,206	1,108
Trading activities		203	-	-	203	642
Other trading activities		127	30	-	157	323
Investment income		708	1,875	-	2,583	2,891
Transfer from Capital to Income (TRDP)		38	498	(536)	-	-
<b>Total Income and Endowments</b>	2	2,321	2,686	(536)	4,471	5,793
<b>Expenditure on raising funds</b>						
Investment and property management expenses		-	504	-	504	761
Trading activities		219	-	-	219	462
Fundraising		30	48	-	78	138
Governance		-	338	-	338	312
<b>Charitable activities</b>						
Support and general charitable activity		-	727	-	727	770
Infirmity care		1,520	-	-	1,520	942
Sheltered accommodation		1,151	-	-	1,151	1,103
Moiety to Charterhouse School		-	448	-	448	477
Pensions in payment		36	30	-	66	66
<b>Total Expenditure</b>	3	2,956	2,095	-	5,051	5,031
<b>Net income/expenditure before gains on investments</b>		(635)	591	(536)	(580)	762
Gains on financial investments	7	-	-	6,205	6,205	(682)
(Losses)/gains on freehold property	7	-	-	(896)	(896)	14,126
Tax on gains on investment freehold property		-	-	-	-	615
<b>Net income/expenditure</b>		(635)	591	4,773	4,729	14,821
Transfer of Moiety		448	(448)	-	-	-
Transfer of fixed assets		341	(341)	-	-	-
<b>Net movement in funds</b>		154	(198)	4,773	4,729	14,821
<b>Total funds brought forward</b>		8,266	396	102,959	111,621	96,800
<b>Total funds carried forward</b>		8,420	198	107,732	116,350	111,621

Analysis of Restricted Funds and Endowment Funds is included as Note 15.

## Statement of Financial Activities – Charity Only

Year ended 25 March 2021

	Note	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	2021 Total £'000	2020 Total £'000
<b>Income and Endowments from:</b>						
Donations and legacies		39	283	-	322	829
Brothers' contributions		1,206	-	-	1,206	1,108
Trading activities		-	-	-	-	-
Other trading activities		127	30	-	157	503
Investment income		708	1,875	-	2,583	2,891
Transfer from Capital to Income (TRDP)		38	498	(536)	-	-
<b>Total Income and Endowments</b>	2	2,118	2,686	(536)	4,268	5,331
<b>Expenditure on raising funds</b>						
Investment and property management expenses		-	504	-	504	762
Trading activities		-	-	-	-	-
Fundraising		30	48	-	78	138
Governance		-	338	-	338	312
<b>Charitable activities</b>						
Support and general charitable activity		-	727	-	727	769
Infirmity care		1,520	-	-	1,520	942
Sheltered accommodation		1,151	-	-	1,151	1,103
Moiety to Charterhouse School		-	448	-	448	477
Pensions in payment		36	30	-	66	66
<b>Total Expenditure</b>	3	2,737	2,095	-	4,832	4,569
<b>Net income/expenditure before gains on investments</b>		(619)	591	(536)	(564)	762
Gains on financial investments	7	-	-	6,205	6,205	(682)
(Losses)/gains on freehold property	7	-	-	(896)	(896)	14,126
Tax on gains on investment freehold property		-	-	-	-	615
<b>Net income/expenditure</b>		(619)	591	4,773	4,745	14,821
Transfer of Moiety		448	(448)	-	-	-
Transfer of fixed assets		341	(341)	-	-	-
<b>Net movement in funds</b>		170	(198)	4,773	4,745	14,821
Total funds brought forward		8,266	396	102,959	111,621	96,800
<b>Total funds carried forward</b>		8,436	198	107,732	116,366	111,621

## Consolidated and charity balance sheets

At 25 March 2021

	Note	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
<b>Assets</b>					
<b>Fixed Assets</b>					
Tangible assets	6	7,696	7,684	7,696	7,684
Investment property	7	63,593	64,489	63,593	64,489
Financial assets	7	43,417	37,317	43,417	37,317
Investment in Carthusia Ltd		-	-	-	-
<b>Total fixed assets</b>		<b>114,706</b>	<b>109,490</b>	<b>114,706</b>	<b>109,490</b>
<b>Current Assets</b>					
Stock		20	23	-	-
Debtors	8	350	841	420	1,147
Cash on fixed deposit		-	1,000	-	1,000
Cash at bank and in hand		2,917	1,780	2,806	1,453
<b>Total current assets</b>		<b>3,287</b>	<b>3,644</b>	<b>3,226</b>	<b>3,600</b>
<b>Liabilities</b>					
<b>Current Liabilities</b>					
Creditors	9	(1,643)	(1,513)	(1,566)	(1,469)
<b>Total current liabilities</b>		<b>(1,643)</b>	<b>(1,513)</b>	<b>(1,566)</b>	<b>(1,469)</b>
<b>Net current assets</b>		<b>1,644</b>	<b>2,131</b>	<b>1,660</b>	<b>2,131</b>
<b>Total net assets</b>		<b>116,350</b>	<b>111,621</b>	<b>116,366</b>	<b>111,621</b>
<b>The funds of the Charity:</b>					
Endowment Fund – General		81,841	77,769	81,841	77,769
Endowment Fund – Hospital		25,891	25,190	25,891	25,190
Restricted fund income		198	396	198	396
Unrestricted Income Fund		724	582	740	582
Designated tangible fixed assets		7,696	7,684	7,696	7,684
<b>Total funds</b>		<b>116,350</b>	<b>111,621</b>	<b>116,366</b>	<b>111,621</b>

Approved by the Governors and signed on their behalf by:

Major General Andrew Ritchie CBE  
Chairman  
22 July 2021

## CONSOLIDATED CASH FLOW STATEMENT

Year ended 25 March 2021

	Note	2021 £'000	2020 £'000
<b>Cash outflow from Operating Activities</b>	(a)	<b>(2,171)</b>	(1,555)
<b>Cash flows from investing activities</b>			
Investments purchased		<b>(3,572)</b>	(3,648)
Movement in cash held as investment		<b>313</b>	(806)
Purchase of fixed assets		-	(137)
Proceeds from disposal of investments		<b>3,364</b>	4,258
Construction of property		<b>(380)</b>	(384)
Investment income		<b>2,583</b>	2,891
Net cash inflows from investing activities		<b>2,308</b>	2,174
<b>Net cash inflow for the Year</b>	(b)	<b>137</b>	619

### Notes to Cash flow statement

#### (a) Reconciliation of net incoming resources to net cash outflow from operating activities

(Loss)/gain for the year (per statement of financial activities)	<b>(580)</b>	762
Less: investment income received	<b>(2,583)</b>	(2,891)
Operating result	<b>(3,163)</b>	(2,129)
Depreciation	<b>368</b>	495
Decrease in stock	<b>3</b>	13
Decrease/(increase) in debtors	<b>491</b>	(41)
Decrease/(increase) in balance due to Charterhouse School	<b>(30)</b>	52
Increase in creditors	<b>160</b>	55
<b>Net cash from operating activities</b>	<b>(2,171)</b>	(1,555)

#### (b) Movement in Bank and Deposit balances

Balance at beginning of year	<b>2,780</b>	2,161
Balance at end of year	<b>2,917</b>	2,780
<b>Net cash inflow for the year</b>	<b>137</b>	619

## Notes to the accounts

For the year ended 25 March 2021

### 1 Accounting policies

#### (a) Basis of accounting

The accounts are prepared under the historical cost accounting rules, modified by the valuation of investment property and listed securities, and in accordance with applicable United Kingdom accounting standards.

The accounts have been prepared in accordance with the Statement of Recommended Practice: 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 and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The accounts have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following 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 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

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

The accounts are presented in sterling which is also the functional currency of the charity. The amounts are presented to the nearest £1,000.

#### (b) Going concern

The charity's activities, its current financial position and factors likely to affect its future development are set out in the Report of the Governors. On this basis the Board has a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in the financial statements.

The two main financial risks of COVID-19 are rent collection on the investment properties and the trading income within Carthusia Ltd, the trading subsidiary, from events and visitors. The collection of rents has proven to be reliable apart from a couple of smaller premises, which we remain hopeful of receiving. The fall in trading income has led to the implementation of a number of mitigations including staff restructuring and other cost reductions. These changes have been made to ensure the charity's financial health and long-term viability remains intact. These changes will be fully reported and reflected in the 2020-21 annual report and accounts.

The Charterhouse has reliable income streams from property rentals, investment dividends and providing residential services. Post year-end property rentals remain steady and the cash position remains strong, therefore, the Governors consider that there are no material uncertainties in adopting the going concern basis of accounting.

#### (c) Investments and cash balances

Investments in securities are shown at bid-market value. Freehold property investments are shown at their year-end market value. Any realised or unrealised gains or losses are included in the Consolidated Statement of Financial Activities in the year in which they occur. Investments include cash held by investment managers. Other cash balances, not held for working capital requirements, are held on deposit.

## Notes to the accounts (continued)

For the year ended 25 March 2021

### 1 Accounting policies continued

#### (d) Tangible Fixed Assets

The original 1611 purchase price of the Hospital and the site has been included at a cost of £13,000 and fully depreciated.

No cost or value is attributed to historic items such as artwork and silverware donated to the charity because no reliable cost or value can be determined. The original costs of these assets are not known and no value has been placed upon them. The Governors consider that the cost of obtaining a value for these assets outweighs the benefit of being able to disclose a value. The insurance valuation is not considered to be a true indicator of the value of the artefacts to the charity.

All other tangible fixed assets are valued at historic cost. Expenditure on the historic buildings which results in enhancement or improvement and costing more than £50,000 in aggregate for each major component project is capitalised, with depreciation charged at 2% per annum.

Operational fixtures and fittings and infrastructure for the Hospital (including the Infirmary), Museum and Learning Centre are capitalised, with depreciation charged over an estimated life of five years except in the case of minor additions costing less than £5,000 which are expensed in the year in which the cost is incurred.

Assets in the course of construction are recorded at cost and transferred to the appropriate asset category when the asset is brought into use.

The cost of sundry office equipment and fixtures and fittings used in the administration of the charity is considered immaterial and written off on acquisition. The cost of these assets is not available and such items are generally dealt with on a replacement basis.

#### (e) Stock

Stock is valued at the lower of cost or net realisable value.

#### (f) Funds

The charity maintains two endowment funds, the General Fund and the Hospital Fund, the capital of which is not available to be spent. Income arising on the General Fund may only be spent as specified in the 2009 Scheme, whereas Hospital Fund income is unrestricted. Designated funds represent amounts set aside by the Governors for specific purposes. The restricted funds represent funds received for specific projects in accordance with the donors' wishes.

#### (g) Group Financial Statements

These financial statements consolidate the results of the charity and its wholly-owned subsidiary company Carthusia Limited on a line by line basis. A separate detailed Statement of Financial Activities is presented for the charity with the turnover and resources expended for Carthusia Limited in the consolidated Statement of Financial Activities replaced in the charity's Statement of Financial Activities by the amount of the Gift Aid income payable to the charity by Carthusia Limited.

#### (h) Incoming Resources

Income from the charity's investment and property portfolio, Brothers' Contributions and other income are all accounted for on a receipts basis. Donations received for the general purposes of the Hospital Fund are credited to unrestricted funds, and those that are subject to the specific wishes of donors credited to the relevant fund.

Donations raised by specific fundraising for the Charterhouse Fund, and unrestricted legacies, are included in full on a receivable basis, and allocated to that fund.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution.

Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

**(i) Resources Expended**

Resources expended are included in the Consolidated Statement of Financial Activities on an accruals basis, inclusive of any VAT which cannot be recovered. Liabilities are recognised when there is a legal or constructive obligation committing the charity to the expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Charitable expenditure comprises of costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly and those costs of an indirect nature apportioned on an appropriate basis.

In accordance with the 2009 Scheme, the Hospital's repairs and maintenance expenditure is apportioned between the General Fund and the Hospital Branch Fund in the ratio of 25:75. These are apportioned across all operations of the charity.

Costs of raising funds include investment expenses and management fees, including fees charged for revaluations and disposals, are charged directly against the capital of the respective funds. These fees can be specifically identified by reference to the investments held by each respective fund.

**(j) The Moiety**

The Moiety from the General Fund to Charterhouse School and the Hospital Fund is calculated as a distribution of the General Fund's net incoming resources for the year excluding investment management fees and gains or losses on investments.

**(k) Governance**

Governance costs represent the costs associated with the constitutional and statutory requirements of the charity. These include costs relating to statutory audit and legal fees, together with apportionment of management costs and related overheads. These are apportioned across all operations of the charity on the same basis as indirect support costs.

**(l) Pension Costs**

The charity established and makes contributions to a defined contribution scheme for those staff who elected to become members. With effect from July 2014 and following new pension legislation the charity auto enrolled and made contributions to all staff that had not previously elected into a new defined contribution scheme. The assets of both schemes are held separately in an independently administered fund.

Pensions in payment, shown as other costs in the Consolidated Statement of Financial Activities, represent pension payments made to retired members of staff in respect of their service to the charity before the independent pension scheme was established.

**(m) Total Return Investment Policy**

The Governors adopted a Total Return Distribution policy in 2015 for both the General and Hospital Funds. The policy is based on a transfer of 3% of the 5 year average capital value of the fund, less the actual income for the year.

## Notes to the accounts (continued)

For the year ended 25 March 2021

### 1 Accounting policies continued

#### (n) Financial Instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 in full to all of its financial instruments.

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument and are offset only when the charity currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

#### (o) Financial assets

Trade, group investment income & rent recoverable and other debtors (including accrued income) which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

#### (p) Financial liabilities

Financial instruments are classified as liabilities according to the substance of the contractual arrangements entered into.

#### (q) Critical Accounting Estimates and Areas of Judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are the valuations attributable to the charity's investment holdings in its stocks and shares and property portfolios and the return from these that will determine the amount of income that can be taken into account under the charity's total return investment policy.

In categorising leases as finance leases or operating leases, management makes judgements as to whether significant risks and rewards of ownership have transferred to the charity as lessee, or the lessee, where the charity is a lessor.

#### (r) Apportionment of costs

The Governors approve annually formulae to apportion support costs over all the activities of the charity. The criteria for apportioning support and governance costs to charitable activities continue to be as follows:

- 1 Management staff costs, and related overheads, are apportioned across all the operations of the charity on a time spent basis.
- 2 Security costs are apportioned between costs of generating funds and charitable activities by reference to the respective values of the properties for insurance purposes.
- 3 Other costs which cover both Infirmary and the provision of sheltered accommodation are apportioned in the ratio of rooms available in the Infirmary and other rooms.

## 2 Income and Endowments

	Generated funds		Charitable Activities		Restricted	2021	2020
	Investment and other Income	Fundraising Activities	Infirmity care	Sheltered accommod.	Funds	£'000	£'000
	£'000	£'000	£'000	£'000	£'000		
Property rentals	2,000	-	-	-	-	2,000	2,141
Securities income	1,119	-	-	-	-	1,119	1,061
Turnover of Carthusia	-	203	-	-	-	203	642
Interest	-	-	-	-	-	-	10
Activities for generating funds	-	10	-	-	283	293	829
Voluntary income	-	5	-	-	-	5	51
Brothers contributions	-	-	55	696	-	751	742
Other incoming resources	-	133	455	-	-	588	406
Unattributed VAT recovered	-	-	-	48	-	48	234
Total return distribution	(536)	-	-	-	-	(536)	(323)
<b>Total Income (Consolidated)</b>	<b>2,583</b>	<b>351</b>	<b>510</b>	<b>744</b>	<b>283</b>	<b>4,471</b>	5,793
Less: Turnover of Carthusia	-	(203)	-	-	-	(203)	(462)
<b>Total Income (Charity only)</b>	<b>2,583</b>	<b>148</b>	<b>510</b>	<b>744</b>	<b>283</b>	<b>4,268</b>	5,331

Government grant income of £151,000 was received in the year (2020: £nil).

	Generated funds		Charitable Activities		Restricted	2020	2019
	Investment and other Income	Fundraising Activities	Infirmity care	Sheltered accommod.	Funds	£'000	£'000
	£'000	£'000	£'000	£'000	£'000		
Property rentals	2,141	-	-	-	-	2,141	1,997
Securities income	1,061	-	-	-	-	1,061	1,180
Turnover of Carthusia	-	642	-	-	-	642	1,122
Interest	10	-	-	-	-	10	5
Activities for generating funds	-	13	-	-	816	829	205
Voluntary income	-	51	-	-	-	51	84
Brothers contributions	-	-	42	700	-	742	723
Other incoming resources	-	40	366	-	-	406	31
Unattributed VAT recovered	26	44	68	96	-	234	-
Total return distribution	(323)	-	-	-	-	(323)	(567)
<b>Total Income</b>	<b>2,915</b>	<b>790</b>	<b>476</b>	<b>796</b>	<b>816</b>	<b>5,793</b>	4,780

## Notes to the accounts (continued)

For the year ended 25 March 2021

### 3 Expenditure

	Costs of generating funds		Charitable Activities				
	Investment and other Income £'000	Fundraising Activities £'000	Infirmity care £'000	Sheltered accommod. £'000	Restricted Funds £'000	2021 £'000	2020 £'000
Property related costs	460	-	-	-	-	460	477
Carthusia trading costs	-	170	-	-	49	219	462
Salaries and pensions	141	247	201	251	-	840	652
Infirmity service costs	-	-	646	96	-	742	749
Catering	-	-	101	152	-	253	445
Repairs and maintenance	-	-	51	203	91	345	516
Security	26	-	39	65	-	130	132
Household and general	27	-	410	398	-	835	283
Development office costs	-	93	-	-	-	93	129
Audit	3	3	8	12	-	26	24
Non audit services	-	-	-	-	-	-	4
Other professional charges	34	-	29	65	-	128	87
Depreciation	-	-	38	330	-	368	495
Irrecoverable VAT	-	-	29	69	-	98	-
Revealing the Charterhouse	-	-	-	-	-	-	33
	<b>691</b>	<b>513</b>	<b>1,552</b>	<b>1,641</b>	<b>140</b>	<b>4,537</b>	4,488
Moeity to School						448	477
Pensions in payment						66	66
<b>Total Expenditure (Consolidated)</b>						<b>5,051</b>	5,031
Less: Carthusia trading costs						(219)	(462)
<b>Total Expenditure (Charity only)</b>						<b>4,832</b>	4,589

	Costs of generating funds		Charitable Activities				
	Investment and other Income £'000	Fundraising Activities £'000	Infirmity care £'000	Sheltered accommod. £'000	Restricted Funds £'000	2020 £'000	2019 £'000
Property related costs	477	-	-	-	-	477	508
Carthusia trading costs	-	462	-	-	-	462	584
Salaries and pensions	166	273	45	168	-	652	625
Infirmity service costs	-	-	685	64	-	749	800
Catering	-	-	189	256	-	445	406
Repairs and maintenance	-	-	33	483	-	516	701
Security	34	-	8	90	-	132	128
Household and general	56	-	82	145	-	283	311
Development office costs	-	129	-	-	-	129	158
Audit	6	10	2	6	-	24	22
Non audit services	1	2	1	1	-	4	4
Other professional charges	22	36	6	22	-	87	44
Depreciation	-	142	25	270	58	495	375
Irrecoverable VAT	-	-	-	-	-	-	(36)
Revealing the Charterhouse	-	-	-	-	33	33	12
	<b>762</b>	<b>1,054</b>	<b>1,076</b>	<b>1,505</b>	<b>91</b>	<b>4,488</b>	4,642
Moeity to School						477	425
Pensions in payment						66	67
<b>Total Expenditure</b>						<b>5,031</b>	5,134

## 4 Staff costs

	2021 £'000	2020 £'000
Wages and salaries	1,912	2,300
Employer's Social Security costs	175	190
Pension contributions	109	118
Agency costs	285	42
	<b>2,481</b>	<b>2,650</b>

The costs of staff employed in the Infirmary, repairs and maintenance and catering are shown in Note 3 under their respective departmental costs.

The average head count during the year was 72 (2020: 76), composed of 44 (2020: 45) full-time and 28 (2020: 31) part-time staff. This represents the equivalent of 57 (2020: 57) full time members of staff.

### Employees receiving total remuneration including taxable benefits in excess of £60,000:

Total remuneration including taxable benefits	2021 No.	2020 No.
£60,000 – £70,000	-	1
£80,001 – £90,000	1	2

Governors do not receive any remuneration for their services, 2021: Nil (2020: Nil). No Governors were reimbursed for expenses for travel totalling £Nil (2020: Three Governors £833).

The remuneration of key management personnel, including employer's National Insurance, was £488,000 (2020: £517,000).

## 5 Transfers

In accordance with the 2009 Scheme, the Moiety transfer represents the transfer of half of the General Restricted Income Fund surplus to the Hospital Unrestricted Income Fund.

The Governors adopted a Total Return Distribution policy in 2015 for both the General and Hospital Funds. The policy is based on a transfer of 3% of the 5-year average capital value of the fund, less the actual income for the year. This brought £536,000 (General Fund £498,000, Hospital Fund £38,000) (2020: £323,000 (General Fund £303,000, Hospital Fund £20,000)) from capital as income. The amounts are included as investment income.

A transfer of £341,000 has been made from restricted income funds to match capital expenditure in the year.

## Notes to the accounts (continued)

For the year ended 25 March 2021

### 6 Tangible Assets

	Buildings £'000	Work in progress Buildings £'000	Furniture and Fixtures £'000	Infrastructure £'000	Total £'000
<b>Cost or valuation</b>					
Balance at 26 March 2020	9,313	472	1,074	48	10,907
Additions	23	342	-	15	380
Disposals	-	-	(251)	-	(251)
Transfers	761	(814)	-	53	-
<b>Balance as 25 March 2021</b>	<b>10,097</b>	<b>-</b>	<b>823</b>	<b>116</b>	<b>11,036</b>
<b>Accumulated depreciation</b>					
Balance at 26 March 2020	2,532	-	660	31	3,223
Disposals	-	-	(251)	-	(251)
Charge for the year	198	-	165	5	368
<b>Balance at 25 March 2021</b>	<b>2,730</b>	<b>-</b>	<b>574</b>	<b>36</b>	<b>3,340</b>
<b>Net book value 25 March 2021</b>	<b>7,367</b>	<b>-</b>	<b>249</b>	<b>80</b>	<b>7,696</b>
Net book value 25 March 2020	6,781	472	414	17	7,684

### 7 Fixed Assets Investments

	Investment Freehold property £'000	Capital Financial Assets £'000	2021 £'000	2020 £'000
Market value at start of year	64,489	35,597	100,086	87,253
Purchases	-	3,572	3,572	3,648
Disposals	-	(3,364)	(3,364)	(4,258)
Change in fair value	(896)	6,205	5,309	13,444
	63,593	42,010	105,603	100,087
Cash held by investment managers	-	1,407	1,407	1,719
<b>Total</b>	<b>63,593</b>	<b>43,417</b>	<b>107,010</b>	<b>101,806</b>

As at 25 March 2016, a full valuation of the investment property portfolio was undertaken by Jones Lang Lasalle IP. A review by a qualified member of the Assembly indicated a small decrease in value as at 25 March 2021 which has been incorporated in the accounts.

The financial assets are managed by Newton Investment Management Ltd, Waverton Investment Management Ltd and Troy Asset Management Ltd.

## 8 Debtors

	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Investment income and rents receivable	-	2	-	2
Due from Carthusia Limited	-	-	86	348
Other debtors	275	468	259	426
Prepayments	75	371	75	371
	<b>350</b>	<b>841</b>	<b>420</b>	<b>1,147</b>

## 9 Creditors

	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Taxation and social security	42	184	38	164
Income in advance	656	626	619	626
Trade creditors	80	118	60	108
Moeity to Charterhouse School	447	477	447	477
Other creditors and accruals	418	108	402	94
	<b>1,643</b>	<b>1,513</b>	<b>1,566</b>	<b>1,469</b>

## 10 Analysis of assets between funds

	General Fund		Hospital Branch Fund				
	Endowment £'000	Unrestricted Income Fund £'000	Restricted Fund £'000	Designated tangible fixed assets fund £'000	Endowment £'000	2021 £'000	2020 £'000
Investment freehold property	42,132	-	-	-	21,461	<b>63,593</b>	64,489
Other investments (unlisted, listed and bonds)	39,869	-	-	-	3,548	<b>43,417</b>	37,317
Tangible assets	-	-	-	7,696	-	<b>7,696</b>	7,684
Cash at bank and in hand	1,349	1,568	-	-	-	<b>2,917</b>	1,780
Other current (liabilities) / assets	(1,509)	(844)	198	-	882	<b>(1,273)</b>	351
<b>Consolidated</b>	<b>81,841</b>	<b>724</b>	<b>198</b>	<b>7,696</b>	<b>25,891</b>	<b>116,350</b>	111,621
Plus: other current(liabilities)/assets	-	16	-	-	-	<b>16</b>	-
<b>Charity only</b>	<b>81,841</b>	<b>740</b>	<b>198</b>	<b>7,696</b>	<b>25,891</b>	<b>116,366</b>	111,621

	General Fund		Hospital Branch Fund				
	Endowment £'000	Unrestricted Income Fund £'000	Restricted Fund £'000	Designated tangible fixed assets fund £'000	Endowment £'000	2020 £'000	2019 £'000
Investment freehold property	43,268	-	-	-	21,221	<b>64,489</b>	50,067
Other investments (unlisted, listed and bonds)	34,267	-	-	-	3,050	<b>37,317</b>	38,100
Tangible assets	-	-	-	7,684	-	<b>7,684</b>	7,658
Cash	1,053	726	-	-	-	<b>1,779</b>	1,161
Other current (liabilities) / assets	(819)	(144)	396	-	919	<b>352</b>	(186)
	<b>77,769</b>	<b>582</b>	<b>396</b>	<b>7,684</b>	<b>25,190</b>	<b>111,621</b>	96,800

## Notes to the accounts (continued)

For the year ended 25 March 2021

### 11 Analysis of fund movements (2020/21)

	General Fund			Hospital Branch Fund		
	Trust for investment £'000	Unapplied total return £'000	Total endowment £'000	Trust for investment £'000	Unapplied total return £'000	Total endowment £'000
<b>At beginning of the reporting period:</b>						
Gift component of the permanent endowment	25,545	-	25,545	780	-	780
Unapplied total return	-	8,722	8,722	-	2,270	2,270
	25,545	8,722	34,267	780	2,270	3,050
<b>Movements in the reporting period:</b>						
Listed securities additions/(withdrawals)	(141)	-	(141)	(12)	-	(12)
Investment returns: dividends and interest	-	535	535	-	49	49
Investment returns: realised and unrealised gains/(losses)	-	5,706	5,706	-	499	499
Less: Investment management costs	-	-	-	-	-	-
Unapplied total return allocated to income in the period	-	(498)	(498)	-	(38)	(38)
<b>Net movement in the period</b>	(141)	5,743	5,602	(12)	510	498
<b>At end of the reporting period:</b>						
Gift component of the permanent endowment	25,404	-	25,404	768	-	768
Unapplied total return	-	14,465	14,465	-	2,780	2,780
	25,404	14,465	39,869	768	2,780	3,548
Investment freehold property	42,132	-	42,132	21,461	-	21,461
Tangible fixed assets	-	-	-	-	-	-
Cash	1,349	-	1,349	-	-	-
Net current assets / (liabilities)	(1,509)	-	(1,509)	882	-	882
<b>Total Endowment funds</b>	67,376	14,465	81,841	23,111	2,780	25,891

### Analysis of fund movements (2019/20)

	General Fund			Hospital Branch Fund		
	Trust for investment £'000	Unapplied total return £'000	Total endowment £'000	Trust for investment £'000	Unapplied total return £'000	Total endowment £'000
<b>At beginning of the reporting period:</b>						
Gift component of the permanent endowment	25,939	-	25,939	800	-	800
Unapplied total return	-	9,067	9,067	-	2,293	2,293
	25,939	9,067	35,006	800	2,293	3,093
<b>Movements in the reporting period:</b>						
Listed securities additions/(withdrawals)	(394)	-	(394)	(20)	-	(20)
Investment returns: dividends and interest	-	685	685	-	53	53
Investment returns: realised and unrealised gains/(losses)	-	(633)	(633)	-	(49)	(49)
Less: Investment management costs	-	(94)	(94)	-	(7)	(7)
Unapplied total return allocated to income in the period	-	(303)	(303)	-	(20)	(20)
<b>Net movement in the period</b>	(394)	(345)	(739)	(20)	(23)	(43)
<b>At end of the reporting period:</b>						
Gift component of the permanent endowment	25,545	-	25,545	780	-	780
Unapplied total return	-	8,722	8,722	-	2,270	2,270
	25,545	8,722	34,267	780	2,270	3,050
Investment freehold property	43,268	-	43,268	21,221	-	21,221
Tangible fixed assets	-	-	-	-	-	-
Cash	1,053	-	1,053	-	-	-
Net current assets / (liabilities)	(819)	-	(819)	919	-	919
<b>Total Endowment funds</b>	69,047	8,722	77,769	22,920	2,270	25,190

## 12 Related parties

In accordance with the 2009 Scheme, the charity is liable to pay £448,000 (2020: £477,000) as financial support to Charterhouse School. The amount owing at the year-end is shown as a current liability in the Balance Sheet.

The charity recharged expenses to Carthusia Limited during the year of £49,000 (2020: £172,000). Carthusia Limited paid its surplus for the year to the charity £nil (2020: £180,000). At the year end, Carthusia Limited owed the charity £86,000 (2020: £348,000)

## 13 Capital commitments

At the accounting date, the charity and group had capital commitments of £334,000 (2020: £547,000).

## 14 Financial instruments

FRS 102 requires disclosure of the role which financial instruments have had during the year in creating or changing the risks an entity faces in undertaking its activities. Financial instruments include investments in equity shares and bonds, cash held on deposit and other receivables.

	<b>Group 2021 £'000</b>	<b>Group 2020 £'000</b>	<b>Charity 2021 £'000</b>	<b>Charity 2020 £'000</b>
<b>Financial assets</b>				
Listed Investments	<b>42,010</b>	35,597	<b>42,010</b>	35,597
Cash held	<b>4,324</b>	4,499	<b>4,213</b>	4,172
Rent and other receivables	<b>350</b>	841	<b>420</b>	1,147
<b>Total financial assets</b>	<b>46,684</b>	40,937	<b>46,643</b>	40,916
<b>Financial liabilities</b>				
Trade and other payables	<b>1,554</b>	1,036	<b>1,546</b>	993
<b>Total financial liabilities</b>	<b>1,554</b>	1,036	<b>1,546</b>	993

## Notes to the accounts (continued)

For the year ended 25 March 2021

### 15 Restricted Funds Analysis

	2021		
	General Fund Restricted Funds £'000	Hospital Fund Restricted Funds £'000	Total Restricted Funds £'000
<b>Income and Endowments from:</b>			
Donations and legacies	-	283	283
Brothers' Contributions	-	-	-
Trading activities	-	-	-
Other trading activities	30	-	30
Investment income	1,875	-	1,875
Transfer from Capital to Income (TRDP)	498	-	498
<b>Total Income and Endowments</b>	<b>2,403</b>	<b>283</b>	<b>2,686</b>
<b>Expenditure on raising funds</b>			
Investment and property management Expenses	504	-	504
Trading Activities	-	-	-
Fundraising	-	48	48
Governance	338	-	338
			-
<b>Charitable activities</b>			
Support and general charitable activity	635	92	727
Infirmity care	-	-	-
Sheltered accommodation	-	-	-
Moiety to Charterhouse School	448	-	448
Pensions in payment	30	-	30
<b>Total Expenditure</b>	<b>1,955</b>	<b>140</b>	<b>2,095</b>
			-
<b>Net income/expenditure before gains on investments</b>	<b>448</b>	<b>143</b>	<b>591</b>
Gains on financial investments	-	-	-
Gains on freehold property	-	-	-
Tax on gains on investment freehold property	-	-	-
<b>Net income/expenditure</b>	<b>448</b>	<b>143</b>	<b>591</b>
Transfer of Moeity	(448)	-	(448)
Transfer of fixed assets	-	(341)	(341)
<b>Net movement in funds</b>	<b>-</b>	<b>(198)</b>	<b>(198)</b>
			-
Total funds brought forward	-	396	396
<b>Total funds carried forward</b>	<b>-</b>	<b>198</b>	<b>198</b>

## Endowment Funds Analysis

	2021		
	General Fund Endowment Funds £'000	Hospital Fund Endowment Funds £'000	Total Endowment Funds £'000
<b>Income and Endowments from:</b>			
Donations and legacies	-	-	-
Brothers' Contributions	-	-	-
Trading activities	-	-	-
Other trading activities	-	-	-
Investment income	-	-	-
Transfer from Capital to Income (TRDP)	(498)	(38)	(536)
<b>Total Income and Endowments</b>	<b>(498)</b>	<b>(38)</b>	<b>(536)</b>
<b>Expenditure on raising funds</b>			
Investment and property management Expenses	-	-	-
Trading Activities	-	-	-
Fundraising	-	-	-
Governance	-	-	-
<b>Charitable activities</b>			
Support and general charitable activity	-	-	-
Infirmity care	-	-	-
Sheltered accommodation	-	-	-
Moiety to Charterhouse School	-	-	-
Pensions in payment	-	-	-
<b>Total Expenditure</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net income/expenditure before gains on investments</b>	<b>(498)</b>	<b>(38)</b>	<b>(536)</b>
Gains on financial investments	5,706	499	6,205
Gains on freehold property	(1,136)	240	(896)
Tax on gains on investment freehold property	-	-	-
<b>Net income/expenditure</b>	<b>4,072</b>	<b>701</b>	<b>4,773</b>
Transfer between funds	-	-	-
<b>Net movement in funds</b>	<b>4,072</b>	<b>701</b>	<b>4,773</b>
Total funds brought forward	77,769	25,190	102,959
<b>Total funds carried forward</b>	<b>81,841</b>	<b>25,891</b>	<b>107,732</b>

## Notes to the accounts (continued)

For the year ended 25 March 2021

### 16 Carthusia Limited

The charity owns the entire share capital of £1 of Carthusia Ltd. All functions and fundraising events held since 21 April 2011 have been conducted with the trading subsidiary (company number 7612570). A summary of the trading results is shown below:

	2021 £'000	2020 £'000
Turnover	204	642
Cost of sales	(157)	(381)
<b>Gross profit</b>	<b>47</b>	<b>261</b>
Administrative expenses	(64)	(81)
<b>Profit for the financial year and total comprehensive income</b>	<b>(17)</b>	<b>180</b>
<b>Current Assets</b>		
Stock	20	23
Debtors	16	43
Cash at bank and in hand	111	326
<b>Total Current Assets</b>	<b>147</b>	<b>392</b>
	-	-
Creditors: amounts falling due in one year	(164)	(392)
<b>Net Assets and shareholders' funds</b>	<b>(17)</b>	<b>-</b>

## Trusts and Major Donors in the year

The Charterhouse has received donations from a number of trusts and foundations and many generous individuals. Donors of £5k and above are listed below:

Deborah Loeb Brice Donor Advised Fund  
Diploma Plc  
Flora and Sebastian Lyon  
Graham Ross Russell  
Lyon Family Charitable Trust  
Sir Michael and Liz Graydon  
Sir Richard Sutton Limited  
The Ironmongers' Company  
The Mallinckrodt Foundation  
The Portal Trust  
The Welton Foundation

## Senior Staff

Master	Ann Kenrick OBE
Director of Operations	Tom Foakes MA MStJ
Preacher	The Reverend Canon Ann Clarke ACP SCP
Director of Finance	Chris Adcock LVO MA FCA
Head of Communications	Charlotte Borger MA FRSA
Director of Health and Wellbeing	Karen Singleton BA(Hons) RN(LD)
Director of HR	Leslie Kosovsky Chartered CIPD

## Advisors

Auditor	RSM UK Audit LLP 25 Farringdon Street, London, EC4A 4AB
Bankers	Barclays Bank plc Level 27, 1 Churchill Place, Canary Wharf, London, E14 5HP

Investment Managers	Newton Investment Management Limited 160 Queen Victoria Street, London, EC4V 4LR  Troy Asset Management Limited Brookfield House, 44 Davies Street, London, W1K 5JA  Waverton Investment Management Limited 21 St. James Square, London, SW1Y 4HB
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Independent Valuers	Jones Lang LaSalle Limited The Walbrook building, 25 Walbrook, London, EC4N 8AF
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Property Advisers	General Fund - Ingleby Trice LLP 10 Foster Lane, London EC2V 6HR
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	Hospital Fund - Daniel Watney LLP 165 Fleet Street, London, EC4A 2DW
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Solicitors	Stone King LLP Boundary House, 91 Charterhouse Street, London, EC1M 6HR
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Registered Charity Number:	207773
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Head Office	Charterhouse Square, London EC1M 6AN
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<sup>the</sup>  
**Charterhouse**

## Annual Report

Report and accounts of the Charterhouse  
for the year ended 25th March 2021

[www.thecharterhouse.org](http://www.thecharterhouse.org)

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