

Charity number: 213213

The Hospital of Sir John Hawkins, Knight, in Chatham

Unaudited

Trustees' report and financial statements

for the year ended 28 February 2021

The Hospital of Sir John Hawkins, Knight, in Chatham

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The Hospital of Sir John Hawkins, Knight, in Chatham

Reference and administrative details of the Charity, its Trustees and Advisers for the year ended 28 February 2021

Trustees	Major N Wood, Chairman³ Admiral of the Fleet the Lord Boyce KG GCB OBE DL, Lord Warden of the Cinque Ports¹ Mr M C Bannar-Martin (resigned 9 December 2020)³ Wg Cdr P H Gilbert QVRM TD DL VR MB BCh MRCPG DRCOG DCH³ Lt Cdr S Small RNR, Vice Chairman³ Lt RNR J L C Jones, Representative of the Lord High Admiral of the United Kingdom (resigned 10 June 2020)¹ Cdre B Bryant, Representative of the Lord High Admiral of the United Kingdom (appointed 10 June 2020)¹ Capt S M Gobbi MA LLB, Appointed by Corporation of Trinity House² Dr M L Morgan, Appointed by Lord Bishop of Rochester² Mr C H Reynolds, Appointed by Royal Naval Benevolent Trust² Lt Col S Elson, Appointed by the Royal School of Military Engineering² Capt N A M Butler³ Mrs P Lowton (appointed 9 December 2020)³ ¹ Ex-Officio Governors ² Nominated Governors ³ Co-Optative Governors
Charity registered number	213213
Principal office	High Street Chatham Kent ME4 4EW
Deputy Governor	Mrs S N Fairlamb
Website address	www.hawkinshospital.org
Accountants	Kreston Reeves LLP Chartered Accountants Montague Place Quayside Chatham Maritime Chatham Kent ME4 4QU

The Hospital of Sir John Hawkins, Knight, in Chatham

**Reference and administrative details of the Charity, its Trustees and Advisers (continued)
for the year ended 28 February 2021**

Bankers	NatWest Bank PLC PO Box 166 40 High Street Rochester Kent ME1 1LJ
Solicitors	DGB Solicitors LLP The Captain's House Central Avenue Pembroke Chatham Maritime Kent ME4 4UF
Investment Managers	Charles Stanley & Co. Limited 55 Bishopsgate London EC2N 3AS CCLA Senator House 85 Queen Victoria Street London EC4V 4ET

The Hospital of Sir John Hawkins, Knight, in Chatham

Trustees' report for the year ended 28 February 2021

The Trustees present their annual report together with the financial statements of the Charity for the year from 1 March 2020 to 28 February 2021.

Objectives and activities

a. Policies and objectives

The purpose of the Charity is to provide almshouse accommodation for the relief of needy and disabled mariners and shipwrights in service of the realm. The 1983 Scheme, as amended, extends the class of beneficiaries to needy or disabled persons who have served either in the Royal Navy, the Royal Marines, the Women's Royal Naval Service, the Queen Alexandra's Royal Naval Nursing Service, the Army, the Royal Air Force or who have served and have been mobilised for active service in any of the Reserve Forces or bodies or who have been employed in any of Her Majesty's Dockyards or Naval Bases directly on the construction, maintenance, re-fitting or repair of Her Majesty's ships and vessels or have served in the Royal Fleet Auxiliary or British Merchant Navy.

There have been no changes to the objects in the year.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

Achievements and performance

a. Review of activities

a. Covid-19 Response

Government restrictions were observed, the residents' collective obligation to behave responsibly was emphasized, access restricted and extensive and regular sanitisation undertaken. Largely due to the conscientious and intelligent efforts of Mr Paul Roberts, the caretaker and his partner, who carried out the governors' policies on the spot, none of the residents succumbed to the virus.

b. Maintenance

(1) General

Little required to be done following the previous year's repairs in response to the quinquennial survey. All routine servicing and testing of systems was fitted around covid-19 restrictions, except PAT which has been re-scheduled.

(2) Improvements.

(a) New trellis was added to the east side of the garden to improve privacy.

(b) The television dish aerial and its booster were replaced giving residents access to a wider range of channels. This required the use of a cherry-picker which enabled roofs and chimneys to be checked.

(c) White goods were not replaced as planned as the necessary internal works would not have complied with covid restrictions. The money is in hand to be spent on this project the moment circumstances allow.

(d) Extra courses of brick were added to the river-facing garden wall to prevent high tides flooding the garden. The effectiveness of the work was proved not long afterwards when the Medway surged, but the garden was unaffected.

The Hospital of Sir John Hawkins, Knight, in Chatham

Trustees' report (continued) for the year ended 28 February 2021

Achievements and performance (continued)

c. Raising Awareness

(1) General.

Any activity that involved visits to the hospital, such as heritage weekends, opening the garden for the National Garden Scheme and briefings fell victim to virus restrictions. These activities will all be revived when conditions allow.

(2) Black Lives Matter

(a) The Hospital's name inevitably made it a target for activists. A petition was running throughout the year, demanding that the name be changed and attracting very little support. The Chairman took part in a Radio Kent debate to defend the Board's decision to uphold the association with our founder and nothing further has been heard.

(b) As a precautionary measure, the Hospital's website was taken down while the future of local landmarks associated with Sir John Hawkins was under debate by Medway Council. It has now been upgraded and re-installed.

(3) Collective Action.

The Chairman had established contact with the secretaries of the other almshouses in Rochester before the virus struck, with a view to establishing some sort of periodic meeting to swap notes. There was general agreement that it would be worthwhile and the idea will be resurrected once life returns to normal. Meetings of the East Kent Consortium were suspended sine die.

b. Investment policy and performance

The principal objective is to invest funds to maximise income without placing at undue risk the capital value of the investment such that the income produced is at least sufficient to assist in meeting the expenditure of the Charity. To assist in the objective, the Governors appoint advisors upon such terms as are deemed appropriate to make recommendations as to the sale and/or purchase of investment holdings. The Governors consider that given the very difficult economic climate, the performance of the investment managers was satisfactory.

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

b. Reserves policy

(1) General - The Trustees consider that the level of free reserves, excluding Endowment Fund, is appropriate having regard to future maintenance and refurbishment costs. With this in mind the combined levels of the Cyclical Maintenance and Extraordinary Repair funds should be kept at an overall balance in excess of one year's running costs.

(2) Endowment Fund - This comprises the permanent endowment of the Charity and amounted to £379,308 (2020: 359,078) at 28 February 2021.

The Hospital of Sir John Hawkins, Knight, in Chatham

Trustees' report (continued) for the year ended 28 February 2021

(3) Cyclical Maintenance Fund - Established voluntarily under the Charity Commissioner's Scheme to provide for the ordinary maintenance and repair of the almshouses. The balance at 28 February 2021 was £43,006 (2020: £43,006).

(4) Extraordinary Repair Fund - Established compulsorily under the Charity Commissioner's Scheme to provide for the extraordinary repair, improvement, extension or rebuilding of the almshouses. The balance at 28 February 2021 was £24,534 (2020: £24,534).

(5) Income Fund - This comprises the unrestricted income of the Charity. Free reserves at 28 February 2021 were £430,435 (2020: £374,701).

(6) Property Fund - This is an unrestricted fund and comprises the value of the property owned by the Charity. The balance at 28 February 2021 was £41,038 (2020: £41,038).

c. Voluntary income

(1) General - Donations are generally sought to help meet the cost of major projects, the hospital having sufficient income to meet its routine running costs. There being no major maintenance planned, the board did not apply to any grant givers during the year.

(2) Nevertheless, the Medway Mariners Trust (MMT) made significant donations to help the hospital defray the additional costs incurred in combating the virus and a further contribution for the same purpose was received from the Chatham Naval Officers' Association (CNOA).

(3) Marion Webster, a loyal supporter of the hospital and creator of the hospital's portrait of its founder, also made a significant contribution.

Structure, governance and management

a. Constitution

The Charity was founded by Royal Charter of 27 August 1594, upon the petition of Queen Elizabeth I's Treasurer of the Navy, Sir John Hawkins. It was further regulated by Statutes and Ordinances of 25 May 1598 and a Scheme of the Charity Commissioners dated 4 February 1876. These regulations have now been replaced by a Scheme of the Charity Commissioners dated 18 December 1983, as amended on 1 November 1999.

b. Methods of appointment or election of Trustees

a. The body of Governors shall consist of not less than seven and not more than eleven persons, being two ex officio Governors, four Nominated Governors and not less than one and not more than five Co-opted Governors, one of whom should be a medical doctor whenever possible.

b. The ex-officio Governors shall be the Lord High Admiral of the United Kingdom and the Lord Warden of the Cinque Ports.

c. The Nominated Governors must be appointed one by the Lord Bishop of Rochester, one by the Corporation of Trinity House, one by the Royal Naval Benevolent Trust and one by the Royal School of Military Engineering and Chatham Garrison at Brompton Barracks. Each appointment made by the Lord Bishop of Rochester must be made by nomination in writing. Every other appointment must be made at a meeting held in accordance with the ordinary practice of the appointing body. Each appointment must be made for four years.

**Trustees' report (continued)
for the year ended 28 February 2021**

Structure, governance and management (continued)

d. Co-optative Governors shall be appointed for a term of five years by a resolution of the Governors passed at a special meeting of which not less than twenty one days' notice has been given and may be so appointed not more than one month before the term of an existing Co-optative Governor expires with effect from the date of expiry but so that the latter shall not vote on the matter.

e. Upon the occurrence of a vacancy the Governors shall cause a note thereof to be entered in their minute book at their next meeting and in the case of a vacancy in the office of Nominative Governor shall cause notice thereof to be given as soon as possible to the proper appointer. Any competent Governor may be re-appointed.

c. Organisational structure and decision-making policies

a. Recruitment of Governors - The Board successfully replaced Mr Michael Bannar-Martin, the long-serving and effective chair of finance and general purposes, after a decade of loyal service and shrewd management of the hospital's finances. Mrs Pamela Lowton is a qualified accountant and experienced in matters of charity finance.

b. Board Meetings - Main board and sub-committee meetings were held by Zoom throughout the year and this worked well, nevertheless, the Chairman is keen to re-assemble the Board on site as soon as it can be done.

c. Sub-Committees:

(1) The Finance and General Purposes Committee (F&GP), meets four times a year, ahead of each main board meeting and provides current financial information, formulates budgets and makes recommendations regarding income and expenditure.

(2) The F&GP conducts a biennial review of WMC, obtaining an equivalent fair rent recommendation from the Valuation Office Agency (VOA) for each flat and making adjustments every two years, in March. The most recent review took place this year and as part of the process, the Charity's subsidy to residents was reduced by 1% as the first step in a programme covering the next five cycles to bring WMC more into line with the Almshouses Association's recommended level.

(3) The Welfare and Admissions (W&A) sub-committee meets on an as-required basis, usually biannually and monitors the well-being of the residents and screens potential residents' applications. During the year the W&A provided the technical guidance for handling the virus.

(4) Having successfully implemented the recommendations of the quinquennial survey, the Premises sub-committee had a quiet year, confined to minor and routine maintenance.

d. The Chairman would like to record his appreciation of the Governors' willingness to devote time, effort and expertise to the Hospital, all to very good effect. They are all busy people, but meetings are always well attended and productive.

e. The Board continued to be ably supported by Mrs Fairlamb, the Deputy Governor, who has been an effective link between the Board and the residents and kept the Board's proceedings working seamlessly.

f. The efforts of Mr Paul Roberts and his partner are fundamental to the smooth running of the Hospital and its attractive ambiance. This year, they also assumed responsibility for keeping the Hospital free of the virus and did a thankless task with thoroughness and good judgement. The Board is deeply appreciative of all they have done.

The Hospital of Sir John Hawkins, Knight, in Chatham

Trustees' report (continued) for the year ended 28 February 2021

Structure, governance and management (continued)

d. Risk management

The Trustees have given consideration to the major risks to which the Charity is exposed and have developed policies and procedures to manage and mitigate their effects. A programme of rolling policy review, built into the Board's medium term plan ensures that the policies are kept relevant. The principal risks facing the Charity are assessed to be:

Governance: adherence to the terms of the scheme.
Operations: principally relating to maintenance.
Awareness: raising the profile to reach potential residents.
Finance: managing a lumpy cashflow.
Compliance: observing the requirements of data protection and health and safety.

Unforeseen risks are addressed by the Hospital's staff and then by relevant sub-committees as they arise and the reactions and possible future implications reviewed at the next full board meeting.

The Trustees have considered the possible impact of Brexit on the Charity and found that it would cause none.

Plans for future periods

a. General it is planned to catch up all those things that would have happened this year, had it not been for the virus, particularly to revive the briefing programme, to open for heritage weekends and to open the garden under the National Garden Scheme for the first time.

b. Improvements. No major structural works are planned, but the project to replace white goods in the residents' kitchens will be brought forward again.

c. Review of Investment Managers. The possible change of investment managers was put on hold, but the new chairman of F&GP will be given the option of re-visiting the outcome of the review and looking at the subsequent performance of the existing managers. She can re-open proceedings should she feel the need.

d. Policies. The ongoing policy review was about the only 'future development' that was proof against the virus. The majority of the hospital's policies have now been revised and adopted and the remainder will be completed in the forthcoming year.

e. Potential Residents. The hospital remains full, but the W&A sub-committee has been tasked with reviewing the sources of potential residents and re-establishing points of contact, as a contingency reflecting the age and health of the current residents.

f. Neighbouring Development. A planning application has been lodged with the local authority to re-develop the site bordering the hospital to the east, currently a redundant car dealership. The proposal involves the construction of 6 accommodation blocks totalling 152 flats. The block nearest the hospital will extend to 6 floors and dwarf our Georgian terraces to the detriment of the residents' privacy and light levels. The governors have consulted a 'right to light' expert and with his guidance, are opening a campaign in the hope of having the neighbouring block reduced in height and possibly moved further away.

**Trustees' report (continued)
for the year ended 28 February 2021**

Statement of Trustees' responsibilities

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

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of its income and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

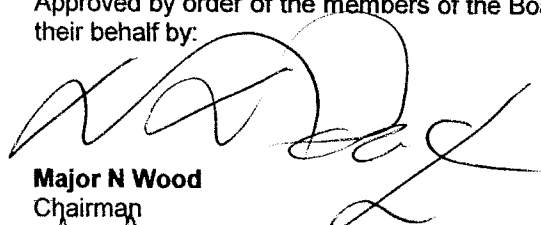
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and 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 Royal Charter. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the Board of Trustees on
their behalf by:

9 June 2021

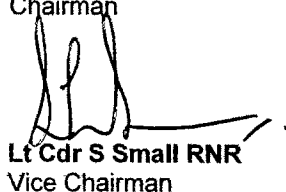
and signed on



Major N Wood
Chairman



Mr C H Reynolds
Trustee



Lt Cdr S Small RNR
Vice Chairman

The Hospital of Sir John Hawkins, Knight, in Chatham

Independent examiner's report for the year ended 28 February 2021

Independent examiner's report to the Trustees of The Hospital of Sir John Hawkins, Knight, in Chatham ('the Charity')

I report to the Charity Trustees on my examination of the accounts of the Charity for the year ended 28 February 2021.

Responsibilities and basis of report

As the Trustees of the Charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

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

Independent examiner's statement

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

I understand that this has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2019.

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

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

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

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for my work or for this report.

Signed:



Susan Robinson

Dated: 2 August 2021

BA FCA FCIE DChA MCMI

Kreston Reeves LLP

Chartered Accountants

Chatham Maritime

The Hospital of Sir John Hawkins, Knight, in Chatham

**Statement of financial activities
for the year ended 28 February 2021**

	Note	Endowment funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income and endowments from:					
Donations and legacies	3	-	9,700	9,700	27,756
Charitable activities	4	-	22,112	22,112	21,706
Investments	5	-	19,471	19,471	22,709
Total income and endowments		-	51,283	51,283	72,171
Expenditure on:					
Charitable activities	6	2,766	35,292	38,058	66,246
Total expenditure		2,766	35,292	38,058	66,246
Net (expenditure)/income before net gains on investments		(2,766)	15,991	13,225	5,925
Net gains on investments		20,626	43,013	63,639	24,927
Transfers between funds	11	3,270	(3,270)	-	-
Net movement in funds		21,130	55,734	76,864	30,852
Reconciliation of funds:					
Total funds brought forward		358,178	483,279	841,457	810,605
Net movement in funds		21,130	55,734	76,864	30,852
Total funds carried forward		379,308	539,013	918,321	841,457

The Statement of financial activities includes all gains and losses recognised in the year.

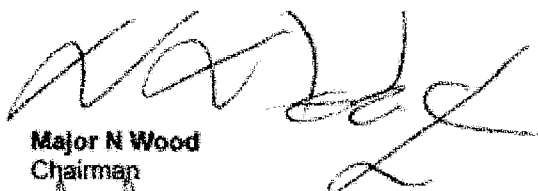
The notes on pages 12 to 21 form part of these financial statements.

The Hospital of Sir John Hawkins, Knight, in Chatham

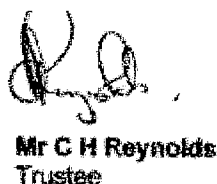
**Balance sheet
as at 28 February 2021**

	Note	28 February 2021 £	29 February 2020 £
Fixed assets			
Tangible assets	8	41,038	41,038
Investments	9	834,634	722,449
		<u>875,672</u>	<u>763,487</u>
Current assets			
Cash at bank and in hand		44,923	79,758
Creditors: amounts falling due within one year	10	(2,274)	(1,788)
Net current assets		<u>42,649</u>	<u>77,970</u>
Total net assets		<u>918,321</u>	<u>841,457</u>
Charity funds			
Endowment funds	11	379,308	358,178
Unrestricted funds	11	539,013	483,279
Total funds		<u>918,321</u>	<u>841,457</u>

The financial statements were approved and authorised for issue by the Trustees on 9 June 2021 and signed on their behalf by:


Major N Wood
Chairman


Lt Cdr S Small RNR
Vice Chairman


Mr C H Reynolds
Trustee

The notes on pages 12 to 21 form part of these financial statements.

The Hospital of Sir John Hawkins, Knight, in Chatham

Notes to the financial statements for the year ended 28 February 2021

1. General information

The Charity is an unincorporated charity, incorporated in England and Wales, with the charity number 213213. The Charity's registered office is shown on page 1.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements 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 the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Hospital of Sir John Hawkins, Knight, in Chatham meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Charity has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Charity's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

2.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

2.4 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

**Notes to the financial statements
for the year ended 28 February 2021**

2. Accounting policies (continued)

2.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.7 Tangible fixed assets and depreciation

Freehold property is not depreciated. Its estimated useful life is in excess of fifty years and the estimated residual value is more than the carrying value in the Balance sheet. Any depreciation would therefore be immaterial and no provision has been made in the financial statements.

2.8 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of financial activities.

2.9 Cash at bank and in hand

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

2.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

2.11 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Notes to the financial statements
for the year ended 28 February 2021

3. Income from donations and legacies

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donations			
425 Event donations	-	-	15,238
Other donations	9,700	9,700	12,518
	<u>9,700</u>	<u>9,700</u>	<u>27,756</u>
Total 2020	<u>27,756</u>	<u>27,756</u>	

4. Income from charitable activities

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Weekly maintenance contributions	22,112	22,112	21,706
	<u>22,112</u>	<u>22,112</u>	<u>21,706</u>
Total 2020	<u>21,706</u>	<u>21,706</u>	

5. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Investment income	19,402	19,402	22,395
Deposit interest	69	69	314
	<u>19,471</u>	<u>19,471</u>	<u>22,709</u>
Total 2020	<u>22,709</u>	<u>22,709</u>	

The Hospital of Sir John Hawkins, Knight, in Chatham

**Notes to the financial statements
for the year ended 28 February 2021**

6. Analysis of expenditure by activities

	Direct costs 2021 £	Support costs 2021 £	Total funds 2021 £	Total funds 2020 £
Charitable activities	18,706	19,352	38,058	66,246
Total 2020	46,993	19,253	66,246	

Analysis of direct costs

	Total funds 2021 £	Total funds 2020 £
Heating and lighting	403	308
Insurance	1,992	2,094
Council tax and water rates	1,636	2,023
Repairs and maintenance	13,645	29,120
Medway helpline	1,030	925
425 Event costs	-	12,523
	18,706	46,993

Analysis of support costs

	Total funds 2021 £	Total funds 2020 £
Printing, postage and stationery	243	372
Investment manager's fees	3,958	3,627
Honorarium	6,120	5,940
Sundries	945	1,898
Garden	3,855	4,001
Resident's Christmas lunch and gratuities	1,079	1,292
Legal and professional fees	1,140	-
Accountancy and independent examination charges	1,698	1,620
Website costs	314	503
	19,352	19,253

Direct costs, in both 2021 and 2020, were all from unrestricted funds, and of the support costs, £2,766 were from endowment funds (2020 - £2,626) and £16,586 were from unrestricted funds (2020 - £16,627).

The Hospital of Sir John Hawkins, Knight, in Chatham

Notes to the financial statements for the year ended 28 February 2021

7. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 28 February 2021, no Trustee expenses have been incurred (2020 - £NIL).

8. Tangible fixed assets

	Freehold property £
Cost or valuation	
At 1 March 2020	41,038
At 28 February 2021	41,038
Net book value	
At 28 February 2021	41,038
At 29 February 2020	41,038

Notes to the financial statements
for the year ended 28 February 2021

9. Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 March 2020	722,449
Additions	106,652
Disposals	(53,705)
Revaluations	59,238
At 28 February 2021	834,634
Net book value	
At 28 February 2021	834,634
At 29 February 2020	722,449

The historical cost of the Charity's fixed asset investments is £522,271.

All of the Charity's fixed asset investments are listed investments held in the UK.

Material investments:

	28 February 2021 £	29 February 2020 £
COIF Charities Investment Fund - Income Units	293,128	230,968
COIF Charities Investment Fund - Capital Units	78,886	73,260
	372,014	304,228

10. Creditors: Amounts falling due within one year

	28 February 2021 £	29 February 2020 £
Accruals	2,274	1,788

The Hospital of Sir John Hawkins, Knight, in Chatham

Notes to the financial statements
for the year ended 28 February 2021

11. Statement of funds

Statement of funds - current year

	Balance at 1 March 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 28 February 2021 £
Unrestricted funds						
Designated funds						
Extraordinary repairs fund	24,534	-	-	-	-	24,534
Cyclical maintenance fund	43,006	-	-	-	-	43,006
	<u>67,540</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>67,540</u>
General funds						
General fund	374,701	51,283	(35,292)	(3,270)	43,013	430,435
Property fund	41,038	-	-	-	-	41,038
	<u>415,739</u>	<u>51,283</u>	<u>(35,292)</u>	<u>(3,270)</u>	<u>43,013</u>	<u>471,473</u>
Total Unrestricted funds	<u>483,279</u>	<u>51,283</u>	<u>(35,292)</u>	<u>(3,270)</u>	<u>43,013</u>	<u>539,013</u>
Endowment funds						
Endowment fund	358,178	-	(2,766)	3,270	20,626	379,308
Total of funds	<u>841,457</u>	<u>51,283</u>	<u>(38,058)</u>	<u>-</u>	<u>63,639</u>	<u>918,321</u>

The Hospital of Sir John Hawkins, Knight, in Chatham

**Notes to the financial statements
for the year ended 28 February 2021**

11. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 March 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 29 February 2020 £
Unrestricted funds						
Designated funds						
Extraordinary repairs fund	26,795	4,320	(6,581)	-	-	24,534
Cyclical maintenance fund	43,006	-	-	-	-	43,006
	69,801	4,320	(6,581)	-	-	67,540
General funds						
General fund	348,513	67,851	(57,039)	(336)	15,712	374,701
Property fund	41,038	-	-	-	-	41,038
	389,551	67,851	(57,039)	(336)	15,712	415,739
Total Unrestricted funds	459,352	72,171	(63,620)	(336)	15,712	483,279
Endowment funds						
Endowment fund	351,253	-	(2,626)	336	9,215	358,178
Total of funds	810,605	72,171	(66,246)	-	24,927	841,457

The Hospital of Sir John Hawkins, Knight, in Chatham

**Notes to the financial statements
for the year ended 28 February 2021**

12. Summary of funds

Summary of funds - current year

	Balance at 1 March 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 28 February 2021 £
Designated funds	67,540	-	-	-	-	67,540
General funds	415,739	51,283	(35,292)	(3,270)	43,013	471,473
Endowment funds	358,178	-	(2,766)	3,270	20,626	379,308
	<u>841,457</u>	<u>51,283</u>	<u>(38,058)</u>	<u>-</u>	<u>63,639</u>	<u>918,321</u>

Summary of funds - prior year

	Balance at 1 March 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 29 February 2020 £
Designated funds	69,801	4,320	(6,581)	-	-	67,540
General funds	389,551	67,851	(57,039)	(336)	15,712	415,739
Endowment funds	351,253	-	(2,626)	336	9,215	358,178
	<u>810,605</u>	<u>72,171</u>	<u>(66,246)</u>	<u>-</u>	<u>24,927</u>	<u>841,457</u>

The Hospital of Sir John Hawkins, Knight, in Chatham

Notes to the financial statements for the year ended 28 February 2021

13. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Endowment funds 28 February 2021 £	Unrestricted funds 28 February 2021 £	Total funds 28 February 2021 £
Tangible fixed assets	-	41,038	41,038
Fixed asset investments	379,173	455,461	834,634
Current assets	135	44,788	44,923
Creditors due within one year	-	(2,274)	(2,274)
Total	379,308	539,013	918,321

Analysis of net assets between funds - prior year

	Endowment funds 29 February 2020 £	Unrestricted funds 29 February 2020 £	Total funds 29 February 2020 £
Tangible fixed assets	-	41,038	41,038
Fixed asset investments	358,132	364,317	722,449
Current assets	46	79,712	79,758
Creditors due within one year	-	(1,788)	(1,788)
Total	358,178	483,279	841,457

14. Related party transactions

Lt Cdr S Small, Vice Chairman of the Board of Governors, is also a Trustee of The Medway Mission to Seamen Trust. During the year this Charity has made donations amounting to £8,500 to The Hospital of Sir John Hawkins, Knight, in Chatham (2020 - £7,000). At the year end there is no balance outstanding between the two charities.

Mr M C Bannar-Martin, Governor, was an employee of Kreston Reeves LLP, who are responsible for the preparation and independent examination of these financial statements. He took no involvement in the independent examination procedures. During the year The Hospital of Sir John Hawkins, Knight, in Chatham, paid accountancy and independent examination fees of £1,698 (2020 - £1,620). At the year end there is a balance owed to Kreston Reeves LLP of £1,698 (2020 - £1,620).