

Charity number: 213213

The Hospital of Sir John Hawkins, Knight, in Chatham

Unaudited

Trustees' report and financial statements

for the year ended 28 February 2023

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 2023

Trustees	Major N Wood, Chairman ³ Admiral of the Fleet the Lord Boyce KG GCB OBE DL, Lord Warden of the Cinque Ports (deceased 6 November 2022) ¹ Wg Cdr P H Gilbert QVRM TD DL VR MB BCh MRCGP DRCOG DCH ³ Lt Cdr S Small RNR, Vice Chairman ³ Cdre B Bryant, Representative of the Lord High Admiral of the United Kingdom ¹ Capt S M Gobbi MA LLB, Appointed by Corporation of Trinity House ² Dr M L Morgan, Appointed by Lord Bishop of Rochester ² Mr C H Reynolds, Appointed by Royal Naval Benevolent Trust ² Capt N A M Butler ³ Mrs P Lowton ³ Lt Col R Meakins, Appointed by the Royal School of Military Engineering (resigned 8 March 2023) ² Lt Col A. Pick (appointed 8 March 2023) ² 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	Ms K Miller
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 2023

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
Independent Examiners	Susan Robinson BA FCA FCIE DChA Kreston Reeves LLP Chartered Accountants Montague Place, Quayside Chatham Maritime, Chatham Kent, ME4 4QU

The Hospital of Sir John Hawkins, Knight, in Chatham

Trustees' report for the year ended 28 February 2023

The Trustees present their annual report together with the financial statements of the Charity for the year from 1 March 2022 to 28 February 2023.

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. Cost of Living/Heating Response

(1) The Governors discussed possible subsidies to residents, to help with the cost of living, should the need arise, but no action had to be taken.

(2) The loft insulation in the flats was inspected and enhanced, to improve heat retention.

(3) Inquiries were made to check that the residents were getting the government payments they were entitled to and help offered to make claims where necessary.

(4) The residents seem to have come through the winter in good shape

b. Maintenance

(1) General. The buildings required little other than minor routine maintenance and inspections throughout the year.

(2) Improvements.

(a) All internal light sockets were replaced by LED fittings which are cheaper to run and last longer than conventional bulbs.

(b) A fire inspection was carried out by the Hospitals surveyors and as a result, smoke detectors were installed in the loft voids and connected to the central fire alarm system. Also, some minor enhancements were made to fire doors, otherwise the Hospital was up to standard.

(c) New and more economical electric heaters were fitted in the boardroom, the existing heaters having started to show their (quite considerable) age.

The Hospital of Sir John Hawkins, Knight, in Chatham

Trustees' report (continued) for the year ended 28 February 2023

Achievements and performance (continued)

c. Raising Awareness

(1) General. Governors consolidated the programme to raise the Hospital's profile, building on the activities that had been seen to work during the previous year. Their efforts were assisted by better publicity from national sponsors and funding from local government.

(2) National Gardens Scheme. The weekend enjoyed good weather and numbers were significantly up on the previous year: word of the cream teas had obviously spread.

(3) Heritage Weekends. The two heritage weekends attracted double the previous year's attendance and all visitors were pleasant and appreciative.

(a) The death of the Hospital's ex-officio Chair, the Lord High Admiral, HM the Queen, was picked up by the local BBC television station and the chairman and a resident were interviewed on air during a heritage open day: this exposure undoubtedly raised interest and numbers on subsequent days.

(b) Local enthusiasm supported by council funding has undoubtedly improved the ambiance of the 'Chatham Intra' area and the heritage weekends have become popular events. The Hospital benefits from its position in the middle of the area and has become an attractive 'pit stop' for visitors.

(4) Briefings. Four organisations provide nominee governors to the board, and it is felt to be important that they understand the origins of their commitment. In this vein, each new commander of the RSME is briefed as soon as possible after assuming the post; the most recent incumbent was joined by the new Chief Executive of the Historic Dockyard and his displays manager.

(5) Collective Action

(a) East Kent Consortium of Almshouses. The Hospital continues to support and benefit from its membership of the Canterbury-based consortium. Small almshouses, such as the Hospital, gain a lot of expert advice from the professional managers of larger charities.

(b) Local Gathering. There are four sets of almshouses within the Rochester and Chatham area and no contact between them occurred until the Hospital took the initiative. Informal meetings now take place quarterly and have become a valuable forum for exchanging ideas and solutions to common problems. Two further charities have joined the group over the past year.

d. Impact Statement

(1) Sir John Hawkins Hospital has continued its founder's charitable initiative by providing comfortable and secure housing for needy service veterans. The Charity has devoted its funds to maintaining the buildings to a high standard, to providing a quiet garden that offers a private retreat and to allowing the residents independence, but with the knowledge that the Hospital will provide support should the need arise.

(2) While focusing on its core objectives, the Charity also provided support for local initiatives to improve amenities and raise the ambiance of the local area and for national appeals, such as the National Gardens Scheme, by lending its garden for fundraising.

(3) The Hospital is a listed Georgian building that is a significant element in Chatham's heritage. The Governors have been meticulous in maintaining its historic character while ensuring that the residents enjoy modern amenities within.

(4) The Charity struck its target by keeping its flats fully occupied during the year and its public events were a big hit and increased its clout in the local area.

**Trustees' report (continued)
for the year ended 28 February 2023**

Achievements and performance (continued)

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 £392,509 (2022: £396,648) at 28 February 2023.

(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 2023 was £43,006 (2022: £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 2023 was £24,534 (2022: £24,534).

(5) Income Fund This comprises the unrestricted income of the Charity. Free reserves at 28 February 2023 were £453,197 (2022: £469,090).

(6) Property Fund This is an unrestricted fund and comprises the value of the property owned by the Charity. The balance at 28 February 2023 was £41,038 (2022: £41,038).

c. Voluntary Income

(1) General. Donations are only sought to help meet the cost of major projects, the Hospital having sufficient income to meet its routine running costs. No major maintenance having been undertaken; the Board did not apply for any grants during the year.

(2) As in previous years, the Medway Mariners' Trust (MMT) and the Chatham Naval Officers' Association (CNOA) both contributed significant donations for the general purposes of the Hospital which helped to cover the costs of the fire survey and associated works and to provide enhanced Christmas gifts to the residents.

**Trustees' report (continued)
for the year ended 28 February 2023**

d. Weekly Maintenance Contributions (WMC) Review

(1) The biennial review of residents' WMC was carried out in the autumn to take effect in the following March. As usual, the Governors sought fair rent assessments from the Valuation Agency and then means-tested each resident to establish what level of subsidy they should receive from the Charity.

(2) The Governors had established several years ago that the Charity's support for WMC was excessively generous and had resolved to reduce it progressively by 1% at each of five successive reviews; the first reduction was implemented two years ago. The rise in inflation and awareness that increases in WMC would be covered by housing benefit brought governors to the conclusion that the subsidy should be decreased by 4% in this cycle to mitigate the effects of inflation on the Hospital's finances.

(3) The new rates have been introduced and help has been offered to the residents to claim the appropriate amount of housing benefit.

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.

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.

The Hospital of Sir John Hawkins, Knight, in Chatham

Trustees' report (continued) for the year ended 28 February 2023

Structure, governance and management (continued)

c. Organisational structure and decision-making policies

a. Composition of the Governing Body

(1) The Hospital's two ex-officio governors, the Lord High Admiral, HM the Queen and the Lord Warden of the Cinq Ports both died within weeks of one another; the title of Lord High Admiral lays with and remains in the gift of the monarch, thus HM the King has assumed it. Comd RSME is the nominated stand-in for the Lord Warden while a successor is selected.

(2) The RSME-nominated governor, Lt Col Meakins, left the Board on retirement from the Army and has been succeeded by Lt Col Pick.

(3) The rest of the Board remained stable throughout the year; the RNBT nominee governor came to the end of his tenure and was re-appointed.

b. Board Meetings

The four meetings a year have been well-attended, helped by the recently installed internet connection which has allowed members who could not get to Chatham to participate. The Board considers it important for governors to see and be seen, thus they conscientiously make the effort to attend meetings in person.

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 welfare and admissions (W&A) sub-committee meets on an as required basis, usually bi-annually and monitors the well-being of the residents and screens potential residents' applications. The W&A continues to provide guidance on Covid prevention.

(3) In non-quinquennial inspection years, the premises sub-committee usually meets just once to monitor the programme of minor repairs, servicing and improvements, but will hold a second meeting in an inspection year prior to providing the Board with a progress report on the works recommended by the surveyors.

d. The Chairman would like to record his appreciation of the Governors' willingness to devote time, effort and expertise to the Hospital, all to good effect. They are busy people, but meetings are always well attended and productive. The Board was deeply saddened by the loss of its two distinguished ex-officio governors.

e. The replacement of the Board's Deputy Governor by a business support contract was something of a learning process for all concerned, however, a routine has now been established and the system is working effectively. The first year's assessment was felt to be satisfactory by both sides and that the arrangement should continue.

f. Mr Paul Roberts, the Hospital's caretaker and gardener and his partner are endlessly responsive and helpful to both the residents and the Board but manage to strike a delicate balance between being accessible while giving the residents privacy and autonomy. They both take a pride in the place and are its best ambassadors.

**Trustees' report (continued)
for the year ended 28 February 2023**

Structure, governance and management (continued)

d. Risk management

(1) General. The Governors give regular 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 policies remain relevant. The principal risks facing the Charity are still 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.
Local Development:	impact of re-generation on the residents' quality of life.

(2) Risks that occur beyond those foreseen are addressed initially by the hospital's staff and then by the relevant sub-committees as they arise. Hazards are dealt with immediately and possible future implications are then reviewed at the next board meeting.

Plans for future periods

a. General. The quinquennial survey of the Hospital's buildings and services will inevitably influence the coming year, but the effort to make the hospital better known, to both public and potential residents will continue.

b. Quinquennial Survey. No serious problems have emerged during the last five-year cycle, but the Governors have budgeted for repairs based on previous experience. Works undertaken since the last survey have upgraded fire, electrical and drainage services and localised damp proofing has also been undertaken, all serving to de-risk the survey.

c. Review of Investment Managers. Aware that most investment managers are only distinguished by their charges, the board looked for comparable charities that had recently made selections and asked them what had influenced their choices. On this basis a shortlist of three managers has now been compiled and an interview board will be convened during the coming year.

d. Succession Planning. The Chairman intends to resign at the Charity's AGM, in June and a willing successor has been identified who has the support of the Board. Governors have agreed that the current Chairman should step down to the Deputy Chairman's position for a year before leaving the board in 2024.

e. Potential Residents. The W&A Committee will revise its data base of possible sources of residents in the coming year. Two residents are now over 90 and while in good spirits, cannot be expected to last for ever.

f. Policy Review. The residents' handbook had been re-written last year and the governors' handbook is to be updated during the coming year.

g. Neighbouring Development. Development of the former car dealership, immediately to the east of the Hospital, has stalled in spite of the original plan having been extensively revised in response to the local planning committee's objections. It now looks as though nothing will be decided until after the local government elections, in May. The project will undoubtedly go ahead eventually, but the hospital will continue to campaign to ensure that the site's impact on the Hospital is minimised, both during building and on completion.

**Trustees' report (continued)
for the year ended 28 February 2023**

Statement of Trustees' responsibilities

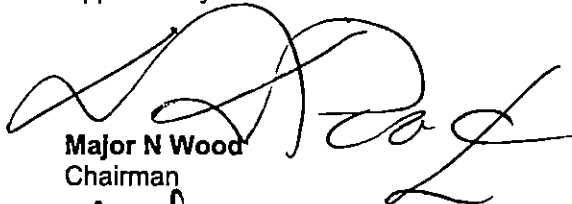
The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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:

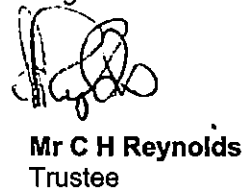
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject 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.

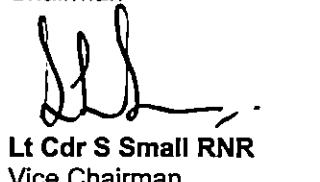
Approved by order of the members of the Board of Trustees and signed on their behalf by:



Major N Wood
Chairman



Mr C H Reynolds
Trustee



Lt Cdr S Small RNR
Vice Chairman
Date: 19/10/2023

The Hospital of Sir John Hawkins, Knight, in Chatham

Independent examiner's report for the year ended 28 February 2023

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 2023.

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 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.

The Hospital of Sir John Hawkins, Knight, In Chatham

**Independent examiner's report (continued)
for the year ended 28 February 2023**

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:



Dated: 10 November 2023

Susan Robinson

BA FCA FCIE DChA

Kreston Reeves LLP

Chartered Accountants

Montague Place, Quayside

Chatham Maritime, Chatham

Kent, ME4 4QU

The Hospital of Sir John Hawkins, Knight, In Chatham

**Statement of financial activities
for the year ended 28 February 2023**

	Note	Endowment funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income and endowments from:					
Donations and legacies	4	-	10,025	10,025	12,509
Charitable activities	5	-	25,248	25,248	24,898
Investments	6	-	25,821	25,821	24,078
Total income and endowments		-	61,094	61,094	61,485
Expenditure on:					
Charitable activities	7	2,973	47,664	50,637	55,772
Total expenditure		2,973	47,664	50,637	55,772
Net (expenditure)/income before net (losses)/gains on investments		(2,973)	13,430	10,457	5,713
Net (losses)/gains on investments		(16,062)	(14,427)	(30,489)	50,282
Transfers between funds	12	14,896	(14,896)	-	-
Net movement in funds		(4,139)	(15,893)	(20,032)	55,995
Reconciliation of funds:					
Total funds brought forward		396,648	577,668	974,316	918,321
Net movement in funds		(4,139)	(15,893)	(20,032)	55,995
Total funds carried forward		392,509	561,775	954,284	974,316

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

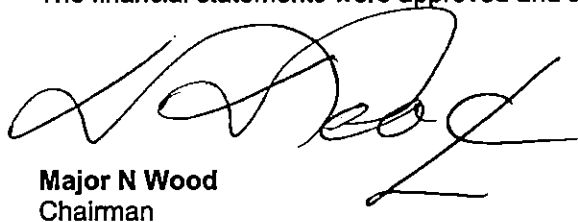
The notes on pages 14 to 24 form part of these financial statements.

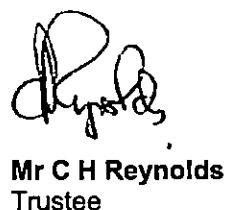
The Hospital of Sir John Hawkins, Knight, in Chatham

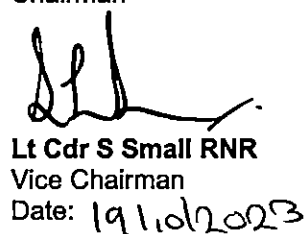
**Balance sheet
as at 28 February 2023**

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	9	41,038	41,038
Investments	10	860,464	880,343
		<u>901,502</u>	<u>921,381</u>
Current assets			
Cash at bank and in hand		54,744	56,059
Creditors: amounts falling due within one year	11	(1,962)	(3,124)
Net current assets		<u>52,782</u>	<u>52,935</u>
Total net assets		<u>954,284</u>	<u>974,316</u>
Charity funds			
Endowment funds	12	392,509	396,648
Unrestricted funds	12	561,775	577,668
Total funds		<u>954,284</u>	<u>974,316</u>

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


Major N Wood
Chairman


Mr C H Reynolds
Trustee


Lt Cdr S Small RNR
Vice Chairman
Date: 19.10.2023

The notes on pages 14 to 24 form part of these financial statements.

**Notes to the financial statements
for the year ended 28 February 2023**

1. General information

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

The Charity's objects can be found in the Trustees report on page 3.

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.

The financial statements are presented in UK sterling, which is the Charity's functional currency, and rounded to the nearest pound.

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.

Endowment funds comprise the permanent endowment of the Charity.

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

**Notes to the financial statements
for the year ended 28 February 2023**

2. Accounting policies (continued)

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.

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 Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2.8 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.

2.9 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.

2.10 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.

**Notes to the financial statements
for the year ended 28 February 2023**

2. Accounting policies (continued)

2.11 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.

2.12 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.

3. 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.

Critical accounting estimates and assumptions:

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 discussed below.

The Hospital of Sir John Hawkins, Knight, in Chatham

Notes to the financial statements for the year ended 28 February 2023

4. Income from donations and legacies

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Donations	10,025	10,025	12,509
	<u>10,025</u>	<u>10,025</u>	<u>12,509</u>
Total 2022	12,509	12,509	
	<u>12,509</u>	<u>12,509</u>	

5. Income from charitable activities

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Weekly maintenance contributions	25,248	25,248	24,898
	<u>25,248</u>	<u>25,248</u>	<u>24,898</u>
Total 2022	24,898	24,898	
	<u>24,898</u>	<u>24,898</u>	

6. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Investment income	25,575	25,575	24,073
Deposit interest	246	246	5
	<u>25,821</u>	<u>25,821</u>	<u>24,078</u>
Total 2022	24,078	24,078	
	<u>24,078</u>	<u>24,078</u>	

Notes to the financial statements
for the year ended 28 February 2023

7. Analysis of expenditure by activities

	Direct costs 2023 £	Support costs 2023 £	Total funds 2023 £	Total funds 2022 £
Charitable activities	28,626	22,011	50,637	55,772
Total 2022	33,962	21,810	55,772	

Analysis of direct costs

	Total funds 2023 £	Total funds 2022 £
Heating and lighting	1,343	644
Insurance	2,179	1,637
Council tax and water rates	1,382	1,639
Repairs and maintenance	22,617	28,920
Medway helpline	1,080	1,122
425 Event costs	25	-
	28,626	33,962

Analysis of support costs

	Total funds 2023 £	Total funds 2022 £
Printing, postage and stationery	888	318
Investment manager's fees	4,396	4,573
Honorarium	5,965	6,225
Sundries	2,159	1,898
Garden	3,925	4,173
Resident's Christmas lunch and gratuities	2,574	1,903
Legal and professional fees	37	432
Accountancy and independent examination charges	1,962	1,782
Website costs	105	506
	22,011	21,810

Direct costs, in both 2023 and 2022, were all from unrestricted funds, and of the support costs, £2,973 were from endowment funds (2022 - £3,047) and £19,038 were from unrestricted funds (2022 - £18,763).

The Hospital of Sir John Hawkins, Knight, in Chatham

Notes to the financial statements for the year ended 28 February 2023

8. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 28 February 2023, no Trustee expenses have been incurred (2022 - £75 to 1 Trustee).

9. Tangible fixed assets

	Freehold property £
Cost or valuation	
At 1 March 2022	41,038
At 28 February 2023	<u>41,038</u>
Net book value	
At 28 February 2023	<u>41,038</u>
At 28 February 2022	<u>41,038</u>

Notes to the financial statements
for the year ended 28 February 2023

10. Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 March 2022	880,343
Additions	47,944
Disposals	(39,337)
Revaluations	(28,486)
At 28 February 2023	<u>860,464</u>
Net book value	
At 28 February 2023	<u>860,464</u>
At 28 February 2022	<u>880,343</u>

The historical cost of the Charity's fixed asset investments is £545,724.

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

Material investments:

	2023 £	2022 £
COIF Charities Investment Fund - Income Units	310,689	317,973
COIF Charities Investment Fund - Capital Units	98,847	85,572
	<u>409,536</u>	<u>403,545</u>

11. Creditors: Amounts falling due within one year

	2023 £	2022 £
Accruals	<u>1,962</u>	<u>3,124</u>

Notes to the financial statements
for the year ended 28 February 2023

12. Statement of funds

Statement of funds - current year

	Balance at 1 March 2022 £	Income £	Expenditure £	Transfers In/out £	Gains/ (Losses) £	Balance at 28 February 2023 £
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	469,090	61,094	(47,664)	(14,896)	(14,427)	453,197
Property fund	41,038	-	-	-	-	41,038
	<u>510,128</u>	<u>61,094</u>	<u>(47,664)</u>	<u>(14,896)</u>	<u>(14,427)</u>	<u>494,235</u>
Total Unrestricted funds	<u>577,668</u>	<u>61,094</u>	<u>(47,664)</u>	<u>(14,896)</u>	<u>(14,427)</u>	<u>561,775</u>
Endowment funds						
Endowment fund	396,648	-	(2,973)	14,896	(16,062)	392,509
Total of funds	<u>974,316</u>	<u>61,094</u>	<u>(50,637)</u>	<u>-</u>	<u>(30,489)</u>	<u>954,284</u>

Notes to the financial statements
for the year ended 28 February 2023

12. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 March 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 28 February 2022 £
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	430,435	61,485	(52,725)	2,610	27,285	469,090
Property fund	41,038	-	-	-	-	41,038
	<u>471,473</u>	<u>61,485</u>	<u>(52,725)</u>	<u>2,610</u>	<u>27,285</u>	<u>510,128</u>
Total Unrestricted funds	<u>539,013</u>	<u>61,485</u>	<u>(52,725)</u>	<u>2,610</u>	<u>27,285</u>	<u>577,668</u>
Endowment funds						
Endowment fund	<u>379,308</u>	<u>-</u>	<u>(3,047)</u>	<u>(2,610)</u>	<u>22,997</u>	<u>396,648</u>
Total of funds	<u>918,321</u>	<u>61,485</u>	<u>(55,772)</u>	<u>-</u>	<u>50,282</u>	<u>974,316</u>

The Hospital of Sir John Hawkins, Knight, in Chatham

**Notes to the financial statements
for the year ended 28 February 2023**

13. Summary of funds

Summary of funds - current year

	Balance at 1 March 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 28 February 2023 £
Designated funds	67,540	-	-	-	-	67,540
General funds	510,128	61,094	(47,664)	(14,896)	(14,427)	494,235
Endowment funds	396,648	-	(2,973)	14,896	(16,062)	392,509
	<u>974,316</u>	<u>61,094</u>	<u>(50,637)</u>	<u>-</u>	<u>(30,489)</u>	<u>954,284</u>

Summary of funds - prior year

	Balance at 1 March 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 28 February 2022 £
Designated funds	67,540	-	-	-	-	67,540
General funds	471,473	61,485	(52,725)	2,610	27,285	510,128
Endowment funds	379,308	-	(3,047)	(2,610)	22,997	396,648
	<u>918,321</u>	<u>61,485</u>	<u>(55,772)</u>	<u>-</u>	<u>50,282</u>	<u>974,316</u>

The Hospital of Sir John Hawkins, Knight, in Chatham

Notes to the financial statements for the year ended 28 February 2023

14. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Endowment funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	41,038	41,038
Fixed asset investments	392,509	467,955	860,464
Current assets	-	54,744	54,744
Creditors due within one year	-	(1,962)	(1,962)
Total	392,509	561,775	954,284

Analysis of net assets between funds - prior year

	Endowment funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	41,038	41,038
Fixed asset investments	396,257	484,086	880,343
Current assets	391	55,668	56,059
Creditors due within one year	-	(3,124)	(3,124)
Total	396,648	577,668	974,316

15. Related party transactions

Lt Cdr S Small, Vice Chairman of the Board of Governors, is also a Trustee of The Medway Mission to Mariners. During the year this Charity has made donations amounting to £10,000 to The Hospital of Sir John Hawkins, Knight, in Chatham (2022 - £12,000). At the year end there is no balance outstanding between the two charities (2022: £Nil).

During the year, the Trustees made cumulative donations to the Charity amounting to £25 (2022: £25).