

**THE HOSPITAL OF ST MARY THE VIRGIN (RYE HILL AND BENWELL)  
ALMSHOUSES CHARITY**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2021**

# **THE HOSPITAL OF ST MARY THE VIRGIN (RYE HILL AND BENWELL) ALMSHOUSES CHARITY**

## **CONTENTS**

	<b>Page</b>
<b>Reference and administrative details of the Charity, its Trustees and advisers</b>	<b>1 - 2</b>
<b>Trustees' report</b>	<b>3 - 9</b>
<b>Independent auditors' report on the financial statements</b>	<b>10 - 13</b>
<b>Statement of financial activities</b>	<b>14</b>
<b>Balance sheet</b>	<b>15</b>
<b>Notes to the financial statements</b>	<b>16 - 33</b>
<b>Appendix I - Schedule of investments</b>	<b>34</b>

# **THE HOSPITAL OF ST MARY THE VIRGIN (RYE HILL AND BENWELL) ALMSHOUSES CHARITY**

## **REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2021**

### **Trustees**

Dr Hazel Jones-Lee, Chair  
Mr Richard Metcalfe, Vice Chair  
Mr Alan Birkmyre  
Mr Aidan Evans  
Councillor John O'Shea  
Ms Sue Pearson  
Mr David John Watson (resigned 16 June 2020)  
Dr Hilary Anne Wynne  
Mrs Patricia Wynne CBE  
Councillor Teresa Cairns (appointed 8 December 2020)  
Councillor Shumel Rahman (appointed 15 June 2021)

### **Charity registered number**

216275

### **Registered office**

5 - 7 Osborne Terrace  
Newcastle upon Tyne  
NE2 1SQ

### **Independent auditors**

Ryecroft Glenton  
Chartered Accountants  
32 Portland Terrace  
Newcastle upon Tyne  
NE2 1QP

### **Bankers**

National Westminster Bank plc  
16 Northumberland Street  
Newcastle upon Tyne  
NE1 7EL

### **Solicitors**

Mincoffs Solicitors  
5 - 7 Osborne Terrace  
Newcastle upon Tyne  
NE2 1SQ

### **Regulator of Social Housing number**

A1273

### **Manager**

Patricia Embleton  
Thomas Horsley House  
Benwell Lane  
Newcastle upon Tyne  
NE15 6NG

**THE HOSPITAL OF ST MARY THE VIRGIN (RYE HILL AND BENWELL) ALMSHOUSES CHARITY**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS  
(CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021**

**Clerks**

Timothy Rohan Gray (Clerk)  
Christopher Hughes (Deputy)



# THE HOSPITAL OF ST MARY THE VIRGIN (RYE HILL AND BENWELL) ALMSHOUSES CHARITY

## TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021

The Trustees present their annual report together with the audited financial statements of the Charity for the year 1 April 2020 to 31 March 2021.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the Charity's governing document, the Charities Act 2011 and the relevant version of the Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

### Objectives and activities

#### ● Policies and objectives

The objective of the Charity is to provide inexpensive sheltered accommodation for single socially or economically disadvantaged men over the age of 50 years referred to as "residents".

The principal activity is the management of the Almshouses at Rye Hill and Benwell. The numbers of flats available for occupation by residents are 18 at Rye Hill and 40 at Thomas Horsley House, Benwell.

The Trustees are satisfied that the objects of the Charity fall within the meaning of "charitable purpose" within Section 2 of the Charities Act 2011 as they refer particularly to: -

- a. the prevention or relief of poverty; and
- b. the relief of those in need by reason of youth, age, ill-health, disability, financial hardship or other disadvantage.

The Trustees are further satisfied that the activities of the Charity fall within principles one and two as set out in the Charity Commission guidance dated December 2008 and that the historical restrictions on entry are, in all prevailing circumstances, reasonable.

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

#### ● Review of activities

In pursuit of high standards with regard to its responsibilities to residents and staff, at least every three years, the Charity reviews its policies and procedures as part of a cyclical process of monitoring and improvement. In line with recommendations of the Regulator of Social Housing and the Almshouses Association, the Charity has continued with programmes of planned maintenance and enhancement of the properties with funds accumulated for the purpose. The Trustees, having assessed the risks, are confident that high standards have been maintained whilst retaining sufficient resources to cover the costs of unexpected events.

**Income.** The financial statements reflect the impact of the COVID-19 pandemic in the decrease in the legacy income from the Estate Management Charity and investment assets which has largely been offset by increases in income from charitable activities.

**Expenditure.** The pandemic necessitated some unplanned expenditure on precautionary measures to maintain the safety of staff and residents being PPE for staff, signage and anti-bacterial stations.

# THE HOSPITAL OF ST MARY THE VIRGIN (RYE HILL AND BENWELL) ALMSHOUSES CHARITY

## TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### Achievements and performance (continued)

#### ● Investment policy and performance

The Trustees have adopted a policy of seeking medium risk investments in order to achieve capital growth and generate income. The Charity remains a long term investor and, on professional advice, holds a diversified portfolio of equities, bonds and property with some cash.

The portfolio delivered a total return of +25.7% for the year to 31 March 2021 (2020: -6.4%). This compares with total returns for the following indices:

	Year to 31.03.21	Year to 31.03.20
BD Risk Category 6 Benchmark	+ 23.5%	- 7.2%
FTSE British Government All Stocks Index	- 5.5%	+ 9.9%
Iboxx £ Corporate Bond Index	+ 10.1%	0.0%
FTSE All Share Index	+ 26.7%	- 18.5%
FTSE All World Ex UK Index	+ 40.4%	- 5.5%
IA Property Index	- 2.1%	- 1.5%
IA Targeted Absolute Return Index	+10.1%	- 3.3%

The Brewin Dolphin Risk Category 6 Benchmark comprises 2.5% UK Gilts, 3% UK Bonds, 11.5% Overseas Bonds, 24% UK Equities, 44.5% Overseas Equities, 3% Property, 9% Alternatives & 2.5% Cash

It has been a good year for risk assets and equity markets have continued the recovery that started towards the end of the last period. Although the economic data has been abysmal at times, it continues to recover from lows and there is a very accommodating monetary and fiscal environment supporting markets. Collectively, world stock markets are now as high as they ever have been, which feels somewhat detached from the economic reality.

The UK has been shunned by global investors over recent years but many unloved areas received a literal shot in the arm as details emerged on three highly effective Coronavirus vaccines at the beginning of November 2020 and this has put domestic stocks up amongst the global leaders since then. However, the UK market has lagged over the full year and the US has been the major contributor to overseas returns, with gains skewed towards newer, faster growing companies in innovative sectors such as technology, software, and healthcare. COVID-19 has accelerated this trend but returns from European and emerging markets have also been relatively strong.

Relative performance benefited from good returns amongst the overseas allocation and from the overweight to corporate bonds, at the expense of government bonds which still offer very little in the way of income for the portfolio. However, UK equities, which sustain around 30% of the portfolio's income, again underperformed global markets as investors continue to favour growth strategies over the value and income producing sectors that dominate the domestic market.

Despite this, the investments outperformed and have risen 25.7% in the year and the portfolio has delivered annualised returns of 8.3% over the last five years.

# **THE HOSPITAL OF ST MARY THE VIRGIN (RYE HILL AND BENWELL) ALMSHOUSES CHARITY**

## **TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021**

### **Financial review**

#### **• Going concern**

Although Trustees continue to have some concern about the level of the income from the Estate Management Charity which is made up principally of funds from commercial lettings, they are satisfied that the Charity has the resources to continue in operation 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.

#### **• Reserves policy**

It is the Trustees' policy to maintain free reserves at a level equating to around six months of charitable expenditure. At the year end the free reserves, after taking account of £200,000 designated for major planned property expenditure, stand at £257,922 (2020: £172,186). This level of free reserves is equivalent to approximately 9.5 months' charitable expenditure and so is above the targeted level.

#### **• Financial review**

During the financial year there was the equivalent of 230 void weeks (186 in 2019/2020) amounting to a reduction of £15,825 (£12,648 in 2019/2020) on maximum contributions collectable. Arrears outstanding at the financial year end were £3,697 (2020: £5,158).

The income of the Charity for the year amounts to £394,817 (2020: £398,257), and operating costs of £386,178 (2020: £376,441) leaving a surplus of £8,639 (2020: £21,816) before taking account of realised and unrealised losses (2020: losses) on investments.

#### **• Principal funding**

The major sources of income of the Charity are from the St Mary the Virgin Estate Management Charity and weekly contributions from the residents. Both the Estate Management Charity and this Charity are constituted within the same scheme of the Charity Commissioners.

Although the Charity's legacy income from the Estate Management Charity has not returned to previous levels, it has shown some recovery and in addition The Almshouses have begun to fill the voids following the easing of the lockdown.

# THE HOSPITAL OF ST MARY THE VIRGIN (RYE HILL AND BENWELL) ALMSHOUSES CHARITY

## TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### • Value for money

In accordance with the Value for Money Standard introduced by the Regulator of Social Housing in April 2018 we set out below the Charity's performance against our value for money targets by reference to a series of seven metrics set by the Regulator which seek to measure economy, efficiency and effectiveness.

Value for Money Metric	Target 2022	Actual 2021	Target 2021	Actual 2020
<b>One - Reinvestment %</b>	1.5%	1.5%	0.0%	0.5%

Commentary – the reinvestment percentage is calculated by reference to works to the existing properties divided by the net book value of housing properties at deemed cost. No new properties were developed or acquired and there is no capitalised interest. The figure increased although there were no major repair works in 2021. The Trustees anticipate there will be a similar level of major repair works in 2022. There are no new developments planned.

### Two - New Supply %

Social housing units delivered	Nil	Nil	Nil	Nil
Non-social housing units delivered	Nil	Nil	Nil	Nil

Commentary – the Trustees have no plans to increase the number of social housing units or to deliver any non-social housing units.

<b>Three - Gearing %</b>	-2.7%	-3.5%	-6.1%	-4.5%
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Commentary – the Charity has no debt and so a negative gearing figure is arrived at by dividing the Charity's cash at bank by the net book value of housing properties at deemed cost. The figure increased in the year because of a decrease in cash at bank partly due to limited replacement of assets in the year. The Trustees have no plans to borrow.

<b>Four – EBITDA MRI Interest cover %</b>	Nil	Nil	Nil	Nil
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Commentary – the Charity has no borrowing and the Trustees have no plans to borrow.

Value for Money Metric	Target 2022	Actual 2021	Target 2021	Actual 2020
<b>Five – Headline social housing cost</b>	£7,545	£6,231	£5,620	£5,651

Commentary – the cost has increased in the year due to expenditure on planned major maintenance and repair works being incurred.

### Six – Operating margin %

Overall = social housing lettings	-64.8%	-71.7%	-71.7%	-71.6%
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Commentary – the percentages are negative as a result of the Charity's income from other sources which means that it can subsidise the social housing which result in operating deficits. The negative percentage diminished as a result of increases in revenue and direct costs although direct costs were less than budgeted. The Trustees anticipate that the Charity will continue to benefit from other sources of income being available to subsidise the social housing costs.

<b>Seven – Return on capital employed %</b>	-4.9%	-5.2%	-5.0%	-5.0%
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Commentary – the percentages are negative as explained in metric six. The negative percentage increased slightly due to an increase in direct costs.

# **THE HOSPITAL OF ST MARY THE VIRGIN (RYE HILL AND BENWELL) ALMSHOUSES CHARITY**

## **TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021**

The Trustees are unaware of any Registered Social Housing Providers with similar funding arrangements to this Charity and therefore believe that there are no meaningful benchmark comparisons available.

### **Structure, governance and management**

#### **• Constitution**

The Hospital of St Mary the Virgin (Rye Hill and Benwell) Almshouses Charity is a registered charity, number 216275.

The objective of the Charity is to provide inexpensive sheltered accommodation for single elderly gentlemen referred to as "residents".

The Charity scheme has been approved by the Charity Commissioners for England and Wales and is governed by the rules contained in the scheme dated 2 April 1979.

#### **• Methods of appointment or election of Trustees**

The Trustees comprise non-executive members with a wide range of commercial and professional experience.

The Trustees meet quarterly, setting and monitoring strategy and performance, ensuring adequate funding and formulating policy on key issues. In addition sub-committees meet between the main Trustees meetings to discuss strategy and review policies in their respective areas of skills and interest. Day to day management of the Charity is delegated to the Business Manager and Clerk to the Trustees.

The body of Trustees shall consist of:

- Three Nominative Trustees, one appointed by the Bishop of Newcastle and two by Newcastle upon Tyne City Council; and
- No fewer than seven Co-optive Trustees appointed by a resolution of the Almshouses Trustees passed at a special meeting.

The Trustees who served during the year are shown in the Reference and Administrative information

#### **• Organisational structure and decision-making policies**

The Trustees are responsible for establishing and maintaining the Charity's system of internal financial control. Internal control systems are designed to meet the particular needs of the Charity and the risks to which it is exposed, and by their nature can provide reasonable but not absolute assurance against material misstatement or loss. The key procedures which the Trustees have established with a view to providing effective internal financial control are as follows:

- clearly defined management and reporting structures;
- detailed standing orders including limits on spending authority;
- management information and accounting systems with regular reporting of financial results;
- business planning process; and
- review of internal and external audit functions.

The Trustees regularly reviewed the effectiveness of the system of internal financial control as it operated during the year.



# **THE HOSPITAL OF ST MARY THE VIRGIN (RYE HILL AND BENWELL) ALMSHOUSES CHARITY**

## **TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021**

### **Structure, governance and management (continued)**

#### **● Policies adopted for the induction and training of Trustees**

Upon appointment Trustees are given copies of the Charity Commission Scheme, the accounts and the minutes of meetings of the Trustees. They are also supplied with the Charity Commission booklet in relation to the responsibility of Charity Trustees. Trustees are appointed for their particular skills in dealing with a Charity of this nature.

New Trustees will be requested to undergo DBS checks and to engage in periodic updating of safeguarding training.

#### **● Pay policy for staff**

All staff irrespective of seniority have annual salary reviews which have regard for benchmarking and other parameter. Where salary changes are granted they take effect from the following 1 April.

#### **● Financial risk management**

The Trustees have assessed the major risks to which the Charity is exposed, in particular those related to the operations and finances of the Charity, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

### **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 incoming resources 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 . 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.

**THE HOSPITAL OF ST MARY THE VIRGIN (RYE HILL AND BENWELL) ALMSHOUSES CHARITY**

**TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021**

**Disclosure of information to auditors**

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Approved by order of the members of the board of Trustees on 12 November 2021 and signed on their behalf by:



**Dr Hazel Jones-Lee**



**Mr Alan Birkmyre**

# **THE HOSPITAL OF ST MARY THE VIRGIN (RYE HILL AND BENWELL) ALMSHOUSES CHARITY**

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE HOSPITAL OF ST MARY THE VIRGIN (RYE HILL AND BENWELL) ALMSHOUSES CHARITY**

### **Opinion**

We have audited the financial statements of The Hospital of St Mary the Virgin (Rye Hill and Benwell) Almshouses Charity (the 'Charity') for the year ended 31 March 2021 which comprise the Statement of financial activities, the balance sheet, the statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

The financial statements have been prepared in accordance with the relevant version of the Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102). This is 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.

This has been done in order for the financial statements to provide a true and fair view in accordance with UK Generally Accepted Accounting Practice.

In our opinion the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 March 2021 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

### **Basis for opinion**

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

### **Conclusions relating to going concern**

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

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

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



# **THE HOSPITAL OF ST MARY THE VIRGIN (RYE HILL AND BENWELL) ALMSHOUSES CHARITY**

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE HOSPITAL OF ST MARY THE VIRGIN (RYE HILL AND BENWELL) ALMSHOUSES CHARITY (CONTINUED)**

### **Other information**

The other information comprises the information included in the annual report other than the financial statements and our auditors' report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

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

### **Responsibilities of Trustees**

As explained more fully in the trustees' responsibilities statement, the Trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

## **THE HOSPITAL OF ST MARY THE VIRGIN (RYE HILL AND BENWELL) ALMSHOUSES CHARITY**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE HOSPITAL OF ST MARY THE VIRGIN (RYE HILL AND BENWELL) ALMSHOUSES CHARITY (CONTINUED)**

#### **Auditors' responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the Charity through discussions with Trustees and other management, and from our commercial knowledge and experience of the registered social housing providers sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the Charity, including the Charities Act 2011 et seq., the Charities (Protection and Social Investment) Act 2016, the Trustees Acts 1925 and 2000, Charity Commission regulations and the Statement of Recommended Practice for Social Housing Providers 2018.
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- we ensured that the identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the Charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by: -

- making enquiries of management as to where they considered there was susceptibility to fraud and their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we: -

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions; and
- assessed whether judgements and assumptions made in determining the accounting estimates set out in the notes to the financial statements are indicative of potential bias.

## THE HOSPITAL OF ST MARY THE VIRGIN (RYE HILL AND BENWELL) ALMSHOUSES CHARITY

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE HOSPITAL OF ST MARY THE VIRGIN (RYE HILL AND BENWELL) ALMSHOUSES CHARITY (CONTINUED)

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which include, but are not limited to: -

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators [Regulator of Social Housing] and the Charity's legal advisors.

There are inherent limitations in our anticipated audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the Trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

#### Use of our report

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the Charity's Trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and its Trustees as a body for our audit work, for this report, or for the opinions we have formed.



**Ryecroft Glenton**

Chartered Accountants  
Registered Auditor

32 Portland Terrace

Newcastle upon Tyne

NE2 1QP

12 November 2021

Ryecroft Glenton are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

**THE HOSPITAL OF ST MARY THE VIRGIN (RYE HILL AND BENWELL) ALMSHOUSES CHARITY**

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 MARCH 2021**

	<b>Note</b>	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
<b>Income from:</b>				
Donations and legacies	3	188,274	188,274	192,105
Charitable activities	4	196,862	196,862	193,832
Investments	5	9,681	9,681	12,320
		<u>394,817</u>	<u>394,817</u>	<u>398,257</u>
<b>Total income</b>				
<b>Expenditure on:</b>				
Raising funds	6	3,133	3,133	3,076
Charitable activities	7	383,045	383,045	373,365
		<u>386,178</u>	<u>386,178</u>	<u>376,441</u>
<b>Total expenditure</b>				
<b>Net income before net gains/(losses) on investments</b>		8,639	8,639	21,816
Net gains/(losses) on investments		91,786	91,786	(39,599)
		<u>100,425</u>	<u>100,425</u>	<u>(17,783)</u>
<b>Net movement in funds</b>				
<b>Reconciliation of funds:</b>				
Total funds brought forward		2,624,687	2,624,687	2,642,470
Net movement in funds		100,425	100,425	(17,783)
		<u>2,725,112</u>	<u>2,725,112</u>	<u>2,624,687</u>
<b>Total funds carried forward</b>				

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


The notes on pages 16 to 33 form part of these financial statements.

**THE HOSPITAL OF ST MARY THE VIRGIN (RYE HILL AND BENWELL) ALMSHOUSES CHARITY**

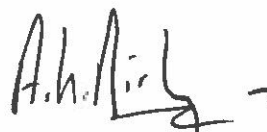
**BALANCE SHEET  
AS AT 31 MARCH 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	15	2,267,190	2,302,501
Investments	16	495,256	396,464
		<u>2,762,446</u>	<u>2,698,965</u>
<b>Current assets</b>			
Debtors	17	43,925	9,862
Cash at bank and in hand		79,002	102,627
		<u>122,927</u>	<u>112,489</u>
Creditors: amounts falling due within one year	18	(33,912)	(46,380)
<b>Net current assets</b>		<u>89,015</u>	<u>66,109</u>
<b>Total assets less current liabilities</b>		<u>2,851,461</u>	<u>2,765,074</u>
Provisions for liabilities		(126,349)	(140,387)
<b>Net assets excluding pension asset</b>		<u>2,725,112</u>	<u>2,624,687</u>
<b>Total net assets</b>		<u><u>2,725,112</u></u>	<u><u>2,624,687</u></u>
<b>Charity funds</b>			
Unrestricted funds	20	2,725,112	2,624,687
<b>Total funds</b>		<u><u>2,725,112</u></u>	<u><u>2,624,687</u></u>

The financial statements were approved and authorised for issue by the Trustees on 12 November 2021 and signed on their behalf by:



**Dr Hazel Jones-Lee**



**Mr Alan Birkmyre**

The notes on pages 16 to 33 form part of these financial statements.

# THE HOSPITAL OF ST MARY THE VIRGIN (RYE HILL AND BENWELL) ALMSHOUSES CHARITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

### 1. General information

The Hospital of St Mary the Virgin (Rye Hill and Benwell) Almshouses Charity is a registered charity, number 216275. The Charity is unincorporated and its registered office is 5 - 7 Osborne Terrace, Newcastle upon Tyne, NE2 1SQ.

### 2. Accounting policies

#### 2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the relevant version of the Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Accounting Practice.

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 relevant version of the 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) 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 St Mary the Virgin (Rye Hill and Benwell) Almshouses Charity 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 have considered the potential financial effects arising from the COVID-19 pandemic on the availability of cash and reserves and the consequent bearing on the use of the going concern basis of preparation of the financial statements. Whilst the Charity has suffered higher than normal voids during the pandemic the Trustees have concluded that the Charity has sufficient cash and reserves to sustain it for the foreseeable future. The Trustees are therefore satisfied that it is appropriate for them to prepare these financial statements on the basis that the Charity continues to be a going concern.

#### 2.3 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.

Contributions from residents are accounted for on an accruals basis.

Income from cash deposits is accounted for on an accruals basis. Income from all other investments is taken into account on a receivable basis.

Income from the sister Charity, St Mary the Virgin Estate Management Charity, is recognised on a receivable basis.



# THE HOSPITAL OF ST MARY THE VIRGIN (RYE HILL AND BENWELL) ALMSHOUSES CHARITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

### 2. Accounting policies (continued)

#### 2.4 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.

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Costs of generating funds are those costs incurred in attracting voluntary income.

Charitable activities and Governance costs are costs incurred on the upkeep and management of the two Almshouses including support costs and costs relating to the administration of the Charity and compliance with constitutional and statutory requirements.

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, e.g. allocating property costs by floor areas, or per capita, staff cost by the time spent and other costs by their usage.

Expenditure on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

All expenditure is inclusive of irrecoverable VAT.

#### 2.5 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.

#### 2.6 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost (or deemed cost) less depreciation.

As permitted by the Housing Association SORP 2014, the charitable trust elected to measure properties at their fair value on the date of transition to the SORP and use that fair value as deemed cost at that date.

Depreciation is not charged on freehold land. Depreciation on other tangible assets is provided at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives.

Depreciation is provided on the following bases:

Freehold property	- 2% per annum straight line
Fixtures and fittings	- 10% per annum straight line
Freehold property improvements-	7% per annum straight line

Depreciation on freehold property is based on their fair value at valuation at 1 April 2014. Freehold property is being depreciated over 50 years from the transition date (1 April 2014).

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**2. Accounting policies (continued)**

**2.7 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.

**2.8 Debtors**

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**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**

Liabilities and provisions 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 Social housing grants**

Government grants relating to tangible fixed assets are treated as deferred income and released to the statement of financial activities over the expected useful lives of the assets concerned. Other grants are credited to the statement of financial activities as the related expenditure is incurred.

**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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**2.13 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.



**THE HOSPITAL OF ST MARY THE VIRGIN (RYE HILL AND BENWELL) ALMSHOUSES CHARITY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**3. Income from donations and legacies**

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>
Donations	1,882	1,882
St Mary the Virgin Estate Management Charity	186,392	186,392
	<u>188,274</u>	<u>188,274</u>

	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Donations	734	734
St Mary the Virgin Estate Management Charity	191,371	191,371
	<u>192,105</u>	<u>192,105</u>

**4. Income from charitable activities**

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>
Contributions from residents	196,862	196,862
	<u>196,862</u>	<u>196,862</u>

	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Contributions from residents	193,832	193,832
	<u>193,832</u>	<u>193,832</u>

**THE HOSPITAL OF ST MARY THE VIRGIN (RYE HILL AND BENWELL) ALMSHOUSES CHARITY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**5. Investment income**

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>
Dividends and interest on investments	9,636	9,636
Bank deposit interest	45	45
	<u>9,681</u>	<u>9,681</u>
	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Dividends and interest on investments	12,106	12,106
Bank deposit interest	214	214
	<u>12,320</u>	<u>12,320</u>

**6. Investment management costs**

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>
Investment management fees	3,133	3,133
	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Investment management fees	3,076	3,076

**THE HOSPITAL OF ST MARY THE VIRGIN (RYE HILL AND BENWELL) ALMSHOUSES CHARITY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**7. Analysis of expenditure on charitable activities**

**Summary by fund type**

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>
Direct costs - Provision of sheltered accomodation	383,045	<b>383,045</b>

	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Direct costs - Provision of sheltered accomodation	373,365	<b>373,365</b>

**8. Analysis of expenditure by activities**

	<b>Activities undertaken directly 2021 £</b>	<b>Support costs 2021 £</b>	<b>Total funds 2021 £</b>
Direct costs - Provision of sheltered accomodation	338,102	44,943	<b>383,045</b>

	<i>Activities undertaken directly 2020 £</i>	<i>Support costs 2020 £</i>	<i>Total funds 2020 £</i>
Direct costs - Provision of sheltered accomodation	332,675	40,690	<b>373,365</b>

**THE HOSPITAL OF ST MARY THE VIRGIN (RYE HILL AND BENWELL) ALMSHOUSES CHARITY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**8. Analysis of expenditure by activities (continued)**

**Analysis of direct costs**

	<b>Direct costs - Provision of sheltered accommodation 2021 £</b>	<b>Total funds 2021 £</b>
Staff costs	105,871	<b>105,871</b>
Depreciation	69,971	<b>69,971</b>
Water rates	12,761	<b>12,761</b>
Insurance	5,014	<b>5,014</b>
Lighting and heating	59,250	<b>59,250</b>
Repairs and maintenance	61,347	<b>61,347</b>
Upkeep of grounds	12,063	<b>12,063</b>
Cleaning and laundry	4,218	<b>4,218</b>
Warden call system	11,837	<b>11,837</b>
Sundries	3,558	<b>3,558</b>
Clerk's salary	6,250	<b>6,250</b>
Housing Association grant released	(14,038)	<b>(14,038)</b>
	<hr/> 338,102 <hr/>	<hr/> 338,102 <hr/>

**THE HOSPITAL OF ST MARY THE VIRGIN (RYE HILL AND BENWELL) ALMSHOUSES CHARITY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**8. Analysis of expenditure by activities (continued)**

**Analysis of direct costs (continued)**

	<i>Direct costs - Provision of sheltered accommodation 2020 £</i>	<i>Total funds 2020 £</i>
Staff costs	108,881	108,881
Depreciation	69,969	69,969
Water rates	18,525	18,525
Insurance	5,328	5,328
Lighting and heating	64,033	64,033
Repairs and maintenance	46,409	46,409
Upkeep of grounds	13,325	13,325
Cleaning and laundry	2,784	2,784
Warden call system	10,213	10,213
Sundries	2,746	2,746
Clerk's salary	4,500	4,500
Housing Association grant released	(14,038)	(14,038)
	<u>332,675</u>	<u>332,675</u>

**Analysis of support costs**

	<i>Direct costs - Provision of sheltered accommodation 2021 £</i>	<i>Total funds 2021 £</i>
Staff costs	19,295	19,295
Sundry expenses	1,359	1,359
Postage, stationery and advertising	2,264	2,264
Subscriptions	1,744	1,744
Bank charges	733	733
Office insurance	614	614
Professional fees	9,628	9,628
Governance costs	9,096	9,096
Bad debts	210	210
	<u>44,943</u>	<u>44,943</u>

**THE HOSPITAL OF ST MARY THE VIRGIN (RYE HILL AND BENWELL) ALMSHOUSES CHARITY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**8. Analysis of expenditure by activities (continued)**

**Analysis of support costs (continued)**

	<i>Direct costs - Provision of sheltered accommodation 2020 £</i>	<i>Total funds 2020 £</i>
Staff costs	17,341	17,341
Sundry expenses	3,228	3,228
Postage, stationery and advertising	2,542	2,542
Subscriptions	1,350	1,350
Bank charges	660	660
Consultancy and training fees	1,095	1,095
Office insurance	603	603
Professional fees	6,436	6,436
Governance costs	7,435	7,435
	<u>40,690</u>	<u>40,690</u>

Governance costs included above comprise:

	<b>2021 £</b>	<b>2020 £</b>
Governance auditor's remuneration	7,013	5,935
Clerk's fees	2,083	1,300
	<u>9,096</u>	<u>7,235</u>

**THE HOSPITAL OF ST MARY THE VIRGIN (RYE HILL AND BENWELL) ALMSHOUSES CHARITY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**9. Schedule of outgoings on properties - 31 March 2021**

	<b>Rye Hill Homes £</b>	<b>Thomas Horsley House £</b>	<b>2021 £</b>
Water rates	4,388	8,373	12,761
Insurance	18	4,996	5,014
Lighting and heating	20,287	38,963	59,250
Repairs and maintenance	20,351	40,996	61,347
Upkeep of grounds	3,611	8,452	12,063
Cleaning and laundry	1,161	3,057	4,218
Warden call system	3,466	8,371	11,837
Sundries	3,093	465	3,558
Clerk's fees	2,596	3,654	6,250
Housing Association grant released	-	(14,038)	(14,038)
Wages and salaries	41,252	64,619	105,871
Depreciation	40,234	29,737	69,971
	<b>140,457</b>	<b>197,645</b>	<b>338,102</b>

**Schedule of outgoings on properties - 31 March 2020**

	<b>Rye Hill Homes £</b>	<b>Thomas Horsley House £</b>	<b>2020 £</b>
Water rates	6,566	11,959	18,525
Insurance	2,357	2,971	5,328
Lighting and heating	27,780	36,253	64,033
Repairs and maintenance	12,484	33,925	46,409
Upkeep of grounds	4,690	8,635	13,325
Cleaning and laundry	649	2,135	2,784
Warden call system	3,027	7,186	10,213
Sundries	1,495	1,251	2,746
Clerk's fees	1,958	2,542	4,500
Housing Association grant released	-	(14,038)	(14,038)
Wages and salaries	45,604	63,277	108,881
Depreciation	40,248	29,721	69,969
	<b>146,858</b>	<b>185,817</b>	<b>332,675</b>

**THE HOSPITAL OF ST MARY THE VIRGIN (RYE HILL AND BENWELL) ALMSHOUSES CHARITY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**10. Auditors' remuneration**

	2021 £	2020 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	7,013	5,935
	<u>7,013</u>	<u>5,935</u>

**11. Staff costs**

	2021 £	2020 £
Wages and salaries	119,963	120,314
Social security costs	5,203	5,908
	<u>125,166</u>	<u>126,222</u>

The average number of persons employed by the Charity during the year was as follows:

	2021 No.	2020 No.
Number of employees	7	7
	<u>7</u>	<u>7</u>

No employee received remuneration amounting to more than £60,000 in either year.

Key management remuneration, being costs relating to the Business Manager and the Clerk to the Trustees, amounted to £40,417 (2020: £35,353).

**12. Trustees' remuneration and expenses**

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

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

**13. Net (losses)/gains on investments**

	2021 £	2020 £
Gains on disposal of share investment assets	1,866	3,843
Gains/(losses) on revaluations of share investment assets	89,920	(43,442)
	<u>91,786</u>	<u>(39,599)</u>



**THE HOSPITAL OF ST MARY THE VIRGIN (RYE HILL AND BENWELL) ALMSHOUSES CHARITY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**14. Income from lettings**

	2021 £	2020 £
Maximum contributions receivable	212,687	206,480
Less: Voids	(15,825)	(12,648)
	<u>196,862</u>	<u>193,832</u>

**Number of units**

	2021 Number	2020 Number
Thomas Horsley House	40	40
Rye Hill	18	18
<b>Total</b>	<u>58</u>	<u>58</u>

The Charity, being an almshouse charity, does not create any form of assured tenancy in favour of residents. The position is made clear to each resident when they take up occupation of any property owned by the Charity.

**15. Tangible fixed assets**

	Freehold property £	Fixtures and fittings £	Total £
<b>Cost or valuation</b>			
At 1 April 2020	2,612,914	255,865	2,868,779
Additions	34,260	400	34,660
At 31 March 2021	<u>2,647,174</u>	<u>256,265</u>	<u>2,903,439</u>
<b>Depreciation</b>			
At 1 April 2020	332,060	234,218	566,278
Charge for the year	67,515	2,456	69,971
At 31 March 2021	<u>399,575</u>	<u>236,674</u>	<u>636,249</u>

**THE HOSPITAL OF ST MARY THE VIRGIN (RYE HILL AND BENWELL) ALMSHOUSES CHARITY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**15. Tangible fixed assets (continued)**

	<b>Freehold property £</b>	<b>Fixtures and fittings £</b>	<b>Total £</b>
<b>Net book value</b>			
At 31 March 2021	<b>2,247,599</b>	<b>19,591</b>	<b>2,267,190</b>
<i>At 31 March 2020</i>	<i>2,280,854</i>	<i>21,647</i>	<i>2,302,501</i>

Included in freehold property, plant and equipment is freehold land at deemed cost of £450,000 (2020 - £450,000) which is not depreciated and freehold buildings at deemed cost of £1,900,000 (2020 - £1,900,000). The Freehold Properties were revalued by Woodruff & Co. Chartered Surveyors using a fair value basis valuation to establish a deemed cost on transition to FRS102 and the Statement of Recommended Practice for Social Housing Providers 2014.

The historic cost of these properties is £981,266 which comprises £195,594 for the revitalisation of Rye Hill and £785,672 for the construction of Thomas Horsley House.

**16. Fixed asset investments**

	<b>Listed investments £</b>	<b>Other fixed asset investments £</b>	<b>Total £</b>
<b>Cost or valuation</b>			
At 1 April 2020	<b>377,212</b>	<b>19,252</b>	<b>396,464</b>
Additions	<b>54,739</b>	<b>-</b>	<b>54,739</b>
Disposals	<b>(41,829)</b>	<b>(4,038)</b>	<b>(45,867)</b>
Revaluations	<b>89,920</b>	<b>-</b>	<b>89,920</b>
At 31 March 2021	<b>480,042</b>	<b>15,214</b>	<b>495,256</b>
<b>Net book value</b>			
At 31 March 2021	<b>480,042</b>	<b>15,214</b>	<b>495,256</b>
<i>At 31 March 2020</i>	<i>377,212</i>	<i>19,252</i>	<i>396,464</i>

All the fixed asset investments are held in the UK.

**THE HOSPITAL OF ST MARY THE VIRGIN (RYE HILL AND BENWELL) ALMSHOUSES CHARITY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**17. Debtors**

	2021 £	2020 £
<b>Due within one year</b>		
Trade debtors	3,697	5,158
St Mary the Virgin Estate Management Charity	34,636	-
Prepayments and accrued income	5,592	4,704
	<u>43,925</u>	<u>9,862</u>

**18. Creditors: Amounts falling due within one year**

	2021 £	2020 £
Trade creditors	2,051	9,886
St Mary the Virgin Estate Management Charity	-	6,056
Accruals and deferred income	31,861	30,438
	<u>33,912</u>	<u>46,380</u>

**19. Financial instruments**

	2021 £	2020 £
<b>Financial assets</b>		
Financial assets measured at fair value through income and expenditure	480,042	377,212

Financial assets measured at fair value through income and expenditure comprise quoted investments stated at market value.

**THE HOSPITAL OF ST MARY THE VIRGIN (RYE HILL AND BENWELL) ALMSHOUSES CHARITY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**20. Statement of funds**

**Statement of funds - current year**

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2021 £
<b>Unrestricted funds</b>						
Revaluation reserve	736,521	-	-	(12,627)	-	723,894
Major planned expenditure reserve	150,000	-	-	50,000	-	200,000
General funds	1,738,166	394,817	(386,178)	(37,373)	91,786	1,801,218
	<u>2,624,687</u>	<u>394,817</u>	<u>(386,178)</u>	<u>-</u>	<u>91,786</u>	<u>2,725,112</u>

**Statement of funds - prior year**

	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2020 £
<b>Unrestricted funds</b>						
Revaluation reserve	749,148	-	-	(12,627)	-	736,521
Major planned expenditure reserve	100,000	-	-	50,000	-	150,000
General funds	1,793,322	398,257	(376,441)	(37,373)	(39,599)	1,738,166
	<u>2,642,470</u>	<u>398,257</u>	<u>(376,441)</u>	<u>-</u>	<u>(39,599)</u>	<u>2,624,687</u>

**THE HOSPITAL OF ST MARY THE VIRGIN (RYE HILL AND BENWELL) ALMSHOUSES CHARITY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**21. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>
Tangible fixed assets	2,267,190	2,267,190
Fixed asset investments	495,256	495,256
Current assets	122,927	122,927
Creditors due within one year	(33,912)	(33,912)
Provisions for liabilities and charges	(126,349)	(126,349)
<b>Total</b>	<b>2,725,112</b>	<b>2,725,112</b>

**Analysis of net assets between funds - prior year**

	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Tangible fixed assets	2,302,501	2,302,501
Fixed asset investments	396,464	396,464
Current assets	112,489	112,489
Creditors due within one year	(46,380)	(46,380)
Provisions for liabilities and charges	(140,387)	(140,387)
<b>Total</b>	<b>2,624,687</b>	<b>2,624,687</b>

**THE HOSPITAL OF ST MARY THE VIRGIN (RYE HILL AND BENWELL) ALMSHOUSES CHARITY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**22. Accruals and deferred income**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Government Grants	<b>126,349</b>	<b>140,387</b>

On transition to the accounting policies, required by the Statement of Recommended Practice for Social Housing Providers 2014, the element of the Social Housing Grant relating to Thomas Horsley House which was still to be released to the Statement of Financial Activities was transferred to accruals and deferred income to be released over the estimated useful life of the building at the time of the expenditure (which was 50 years).

The remainder of this grant together with the full Social Housing Grant received for refurbishment of Rye Hill has been taken to unrestricted funds to reflect the value of the grants that in accordance with the requirements of the Statement of Recommended Practice for Social Housing Providers 2014 would have been released to the Statement of Financial Activities if those accounting requirements had been in place from the time of the expenditure.

The amounts shown as deferred income are included in the amounts disclosed as contingent liabilities.

**23. Contingent liabilities**

The charitable trust has in earlier years received Social Housing Grants from the precursor of the Regulator of Social Housing to fund the purchase and refurbishment of freehold properties as follows:

Thomas Horsley House    £701,923; and  
Rye Hill                      £193,097.

There is no time limit for repayment of these grants if a relevant event occurs to trigger repayment. Such events would include the properties being sold, a change of use or if the registered housing provider were to de-register. The Trustees do not anticipate any of these events occurring in the foreseeable future. An unexpired portion of the grant is included in deferred income.

**24. Capital commitments**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Contracted for but not provided in these financial statements</b>		
Acquisition of tangible fixed assets	<b>22,840</b>	<b>-</b>

# THE HOSPITAL OF ST MARY THE VIRGIN (RYE HILL AND BENWELL) ALMSHOUSES CHARITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

### **25. Related party transactions**

The Charity is constituted under a trust deed called the Hospital of Saint Mary the Virgin, in the City of Newcastle upon Tyne, in the County of Tyne and Wear.

It is organised into two separate Charities named the Hospital of St. Mary the Virgin (Rye Hill and Benwell) Almshouses Charity referred to as the "Almshouses Charity" and the St. Mary the Virgin Estate Management Charity referred to as the "Estate Management Charity".

Income received by this Charity from the Estate Management Charity is shown on the Statement of Financial Activities. The amount due from the Estate Management Charity at the year end is shown in debtors due within one year.

Tim Gray (Clerk to the Trustees) is a consultant to Mincoffs solicitors. During the year ended 31 March 2021, Mincoffs provided legal services to the Charity amounting to £3,242 (2020: £986).