LORD LEYCESTER'S HOSPITAL

England & Wales · Charity number 216831

Details

Status	Registered
Legal form	Other
Registered	1963-11-15
Register	View on the Charity Commission register

Contact

Address	Lord Leycester Hospital 60 High Street Warwick CV34 4BH
Phone	01926491422
Email	info@lordleycester.com
Website	www.lordleycester.com

Activities

Objects: THE PROVISION OF ACCOMMODATION FOR POOR AND DESERVING MEN WHO HAVE SERVED IN THE ARMED FORCES OF THE CROWN BEING MEN OF PARTICULAR CLASSES HEREINAFTER SPECIFIED IN ORDER OF PREFERENCE THAT IS TO SAY:- (1ST) THOSE MEN WHO WERE DISABLED DURING THEIR SERVICE AND WHO HAVE RESIDED FOR AT LEAST FOUR YEARS PREFERABLY IN THE BOROUGH OF WARWICK, THE PARISH OF KENILWORTH, THE BOROUGH OF STRATFORD-ON-AVON, THE PARISH OF WOTTON-UNDER-EDGE, THE PARISH OF ARLINGHAM BUT SUBJECT THERETO ANYWHERE IN THE COUNTY OF WARWICK. (2ND) THOSE MEN WHO WERE NOT DISABLED DURING THEIR SERVICE BUT WHO HAVE RESIDED AS ABOVED MENTIONED. (3RD) THOSE MEN WHO WERE DISABLED DURING THEIR SERVICE BUT WHO HAVE NOT RESIDED AS ABOVE MENTIONED.

Activities: Provide homes for retired ex-Servicemen and their wives and maintains historic listed buildings

Classification

- **How:** Provides Buildings/facilities/open Space
- **What:** Accommodation/housing
- **Who:** Elderly/old People, Other Defined Groups

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Geography

- **Area of benefit:** "SEE OBJECTS"
- Gloucestershire
- Warwickshire

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£654,516	£537,407	£1,094,437	9
2023-12-31	£1,663,742	£1,974,960	£977,328	8
2022-12-31	£1,109,631	£734,905	£1,413,573	7
2021-12-31	£550,299	£385,539	£1,038,847	7
2020-12-31	£541,202	£411,889	£874,087	7

Trustees

Name	Role	Appointed
VISCOUNT PHILIP JOHN ALGERNON DE L'ISLE MBE DL	Chair	
David Charles Skinner		2024-03-04
Dr PHILIP SIDNEY		2015-04-13
JONATHAN CHAMBERS		
Kevin John Saunders		2016-03-13
Lone Fellowes		2024-03-04
MARK GEOFFREY SEWELL		
Tim Cox		2013-03-30

Linked charities

- LORD LEYCESTER'S HOSPITAL APPEAL (216831-1)

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LORD LEYCESTER'S HOSPITAL

England & Wales - Charity number 216831

Accounts

Copy

Charity Registration No. 216831

LORD LEYCESTER'S HOSPITAL

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

LORD LEYCESTER'S HOSPITAL

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	The Rt Hon The Viscount De L'Isle C.V.O M.B.E - Patron Mr T Cox H.M Lord Lieutenant Mr J Chambers Mr M Sewell Dr The Hon P Sidney Mrs C Cross (resigned 15th February 2024) Mrs L Fellows (appointed 4th March 2024) Cllr D Skinner (appointed 4th March 2024)
Charity number	216831
Principal address	Lord Leycester's Hospital 60 High Street Warwick CV34 4BH
Bankers	Lloyds TSB Group PLC 73 Parade Leamington Spa CV32 4BB
Solicitors	Moore & Tibbits 34-36 High Street Warwick CV34 4BE
Investment managers	Evelyn Partners Investment Services Limited 45 Gresham Street London EC2V 7BG
Independent Examiners	Ellacotts LLP Countrywide House 23 West Bar Banbury OX16 9SA
The Master	Dr H Meyer
Clerk to the Governors	Mr J Wassall

LORD LEYCESTER'S HOSPITAL

CONTENTS

	Page
Trustees report	1 - 4
Statement of Trustees responsibilities	5
Independent examiner's report	6
Statement of financial activities	7 - 8
Balance sheet	9
Notes to the financial statements	10 - 20

LORD LEYCESTER'S HOSPITAL

TRUSTEES REPORT

FOR THE YEAR ENDED 31 DECEMBER 2024

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

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Charities Act 2011 and "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)" (as amended for accounting periods commencing from 1 January 2019).

The Trustees of Lord Leycester's Hospital are also the Governors of the charity.

REFERENCE AND ADMINISTRATIVE DETAILS

Lord Leycester's Hospital's charity number, principal office, its list of Trustees and all its key advisors are set out on legal and administrative information page at the front of these Financial Statements.

The board of Trustees have delegated the day-to-day activities of the charity to the Master.

OBJECTIVES AND ACTIVITIES

The Charity provides almshouse accommodation at High Street, Warwick for poor and deserving ex-servicemen and their wives who have served in the armed forces of the crown being men of the particular classes hereinafter specified in order of preference, that is to say:-

FIRST those men who were disabled during their service and who have resided for at least four years preferably in the Borough of Warwick, the Parish of Kenilworth or the Borough of Stratford upon Avon, all in the County of Warwick, or in the Parish of Wootton under Edge or the Parish of Arlingham, both in the county of Gloucester, but subject thereto anywhere in the County of Warwick;

SECONDLY those men who were not disabled during their service but who have resided as above mentioned;

THIRDLY those men who were not disabled during their service but who have not resided as above mentioned.

To achieve these objectives the Charity has to maintain the historic medieval property. It generates income from the property to maintain the property and to provide the almshouse accommodation.

The Charity is required to provide accommodation for the Master who is responsible for the government of the Brethren.

The Charity derives income from the admission of the general public to the historic buildings – which include the Guildhall, the Great Hall, St James's Chapel, the Master's House and the Brethren's Kitchen – and lettings for events.

The Charity also derives rental income from dwellings within the Hospital's buildings.

In addition, the Charity seeks regular financial support from Service Charities, Charitable Trusts and other benefactors.

To protect the long-term security of the Hospital the Trustees successfully applied to the National Lottery Heritage Fund to support a major project to protect the buildings and to improve and expand the museum visitor experience, with the view to making the Hospital financially self-sustaining in future. This improvement to the property was mostly completed by September 2023, with additional closure in quarter one 2024. The Hospital finally open fully time for museum visitors again in March 2025. Project work to improve the marketing and visitor experience continued during 2024 and will continue into late 2025.

Public benefit

The Governors have had regard to guidance published by the Charity Commissioners on public benefit. Public benefit is achieved through the provision of homes for retired ex-servicemen and their wives, and the maintenance of the ancient buildings of the Hospital that form part of the nation's heritage, for educational, recreational, and other community activities.

ACHIEVEMENTS AND PERFORMANCE

Charitable activities

The Trustees have succeeded in providing homes for ex-servicemen and their wives in accordance with the Charity's objectives, plus a Helmand veteran who received life-changing injuries and now resides amongst the Brethren at the Lord Leycester Hospital.

LLH 450 Project – funded by National Lottery Heritage Fund (NLHF) & Capital Campaign

Work started in July 2022 and the Hospital was closed to the public until reopening in September 2023, with a further closure in the first 3 month of 2024 to enable snagging works to be completed. A small amount of the snagging work for the building works remains awaiting completion.

The total amount of costs capitalised to December 2024 is £851,713. This covered land and building improvements, plant and machinery, fixtures and fitting and computers. The is being amortised as appropriate for each category and is £40,349 for the year (2023: £44,516). The Net Book Value of the capitalised works at 31st December is £766,848. This also represents the balance on the Restricted Fund for the project (note 15).

Much of the cost for the building repair and conservation and visitor experience has been expensed, including £210,255 for 2024 (2023: £1,703,117), before amortisation costs. The total cost since 2022 has been £2,474,111.

Work regarding the investment in improving the museum visitor experience continued during 2024 and will continue until late 2025.

FINANCIAL REVIEW

Results for the year

During the year, total income amounted to £654,516 (2023: £1,663,742). Income from trading activities increased to £196,581 from £67,212 in 2023. Donations and grants decreased from £1,535,228 in 2023 to £408,395. Of this £369,910 was restricted donations and grants, which included £273,207 from NLHF as their share of the LLH 450 project.

Expenditure on charitable activities decreased to £532,055 (2023: £1,950,140), which included £210,255 (2023: £1,703,117) associated with the LLH 450 project. Other expenditure fell from £24,820 in 2023 to £5,352 in 2024. Depreciation of the capitalised project costs was £40,349 (2023: £44,516). The Net Book Value of the capitalised costs of £771,671 is represented by the Restricted Funds.

The Charity made a surplus of £117,109 (2023: deficit of £311,218).

Reserves Policy

In addition to any specific Restricted Funds certain Funds are designated by the Governors to represent amounts set aside to specifically support the future activities of the Hospital. The Charity is also required by its Scheme to maintain an Extraordinary Repairs Reserve. Having had its quinquennial property review in 2015 the Governors have agreed to retain a balance of £350,000 to deal with priority repairs required. The amount in this designated reserve is to be used as the Charity's contribution to the NLHF project.

It is the policy of the Charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The Trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

The Operating Deficit Fund is funds set aside to cover any deficit whilst the LLH 450 project is undertaken. £41,553 was added during 2024 leaving a balance at 31st December 2024 of £100,000, to cover the remaining period of project through into 2025.

The General Reserve Fund represents any unrestricted funds that have not been designated and is readily available funds for the activities of the Charity. This currently stands at nil, as all funds are restricted or designated.

Investments and Investment policy

The funds held in investments have been held as cash deposits since 2020. The cash is required to fund the Hospital's own contribution to the NHLF project and to support the Hospital during the period the works are to be done, when there will be minimal income.

PLANS FOR THE FUTURE

Now that the works have been completed the Hospital continues to provide a home for the Brethren, as well as being open to museum visitors and available for venue hire.

The NLHF project hasn't finished yet. Work continues to improve marketing and the visitor experience by enhancing the museum and heritage element. In order to make the Hospital self-sufficient for the future. This will continue until late 2025.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Charity is a company limited by guarantee and is constituted by a scheme dated 23 May 1972 laid down by An Act of Parliament and is registered with the Charity Commissioners (No. 216831).

The Viscount De L'Isle, as direct descendant of the Founder's Heir-at-Law, is Hereditary Patron of the Hospital and Chairman of Governors. Her Majesty's Lord Lieutenant for the County of Warwickshire is a Governor and will change as does the incumbent of that appointment. One Governor is appointed by the Warwick Town Council on the basis of a three year incumbency. Other Governors are recruited as necessary to ensure that a good range of experience, influence and expertise is brought to bear in furthering the aims and objectives of the Charity.

Induction and continuation training is undertaken as judged necessary by the Governors in accordance with Standards of Almshouse Management promulgated by the Almshouse Association.

The Trustees who served during the year and up to the date of signature of the financial statements were:

The Rt Hon The Viscount De L'Isle C.V.O M.B.E - Patron
Mr T Cox H.M Lord Lieutenant
Mr J Chambers
Mr M Sewell
Dr The Hon P Sidney
Mrs C Cross
Mrs L Fellows
Cllr D Butler

The charity's long-term objectives are driven by the board of trustees who meet twice a year to discuss the matters of the charity, with additional meetings as required.

The board of trustees have delegated the day-to-day activities of the charity to the Master.

Risk management

The board of trustees have considered the risks to which the Charity is exposed, and have established systems for mitigating those risks. Strategic and shorter range plans are reviewed regularly. Internal risks are minimised by implementing procedures for authorising transactions and by ensuring consistent quality of delivery for all operational aspects of the Charity. The board of trustees review these procedures periodically.

The Trustees report was approved by the Board of Trustees.

De L'Isle

The Rt Hon The Viscount De L'Isle C.V.O M.B.E - Patron
Trustee

Dated: 25 of 25

Dr The Hon P Sidney
Trustee

Dated: 25.x.25

LORD LEYCESTER'S HOSPITAL

STATEMENT OF TRUSTEES RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2024

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

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;

- observe the methods and principles in the Charities SORP;

- make judgements and estimates that are reasonable and prudent;

- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

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

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

LORD LEYCESTER'S HOSPITAL

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF LORD LEYCESTER'S HOSPITAL

I report to the charity on my examination of the financial statements of Lord Leycester's Hospital (the charity) for the year ended 31 December 2024 which are set out on pages 7 to 20.

Responsibilities and basis of report

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

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

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the Act. I confirm that I am qualified to undertake the examination because I am a qualified member of the Association of Chartered Certified Accountants.

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

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

Leigh Dudley

Leigh Dudley FCCA
Ellacotts LLP
Countrywide House
23 West Barr
Banbury
Oxfordshire
OX16 9SA

Date: 29/10/2025

LORD LEYCESTER'S HOSPITAL

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2024

Current financial year

	Notes	Unrestricted funds 2024 £	Designated funds 2024 £	Restricted funds 2024 £	Total 2024 £	Total 2023 £
Income from:						
Donations and legacies	3	38,485	-	369,910	408,395	1,535,228
Charitable activities	2	45,796	-	-	45,796	51,934
Other trading activities	4	196,581	-	-	196,581	67,212
Interest Income	5	3,744	-	-	3,744	9,368
Total income		284,606	-	369,910	654,516	1,1663,742
Expenditure on:						
Charitable activities	6	281,451	-	250,604	532,055	1,950,140
Governance costs	8	5,352	-	-	5,352	24,820
Total resources expended		286,803	-	250,604	537,407	1,974,960
Net incoming resources		(2,197)	-	119,306	117,109	(311,218)
Gross transfers between funds		2,197	157,558	(159,755)	-	-
Net movement in funds		-	157,558	(40,449)	117,109	(311,218)
Fund balances at 1 January 2024		-	170,031	807,297	977,328	1,288,546
Fund balances at 31 December 2024		-	327,589	766,848	1,094,437	977,328

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

All income and expenditure derive from continuing activities.

LORD LEYCESTER'S HOSPITAL

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2024

Prior financial year

	Notes	Unrestricted funds 2023 £	Designated funds 2023 £	Restricted funds 2023 £	Total 2023 £
Income from:					
Donations and legacies	3	30,657	-	1,504,571	1,535,228
Charitable activities	2	51,934	-	-	51,934
Other trading activities	4	67,212	-	-	67,212
Interest Income	5	9,368	-	-	9,368
Total income		159,171	-	1,504,571	1,663,742
Expenditure on:					
Charitable activities	6	202,507	-	1,747,633	1,950,140
Governance costs	8	24,820	-	-	24,820
Total resources expended		227,327	-	1,747,633	1,974,960
Net incoming resources		(68,156)	-	(243,062)	(311,218)
Gross transfers between funds		68,156	(372,858)	304,702	-
Net movement in funds		-	(372,858)	61,640	(311,218)
Fund balances at 1 January 2023		-	542,889	745,657	1,288,546
Fund balances at 31 December 2023		-	170,031	807,297	977,328

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

All income and expenditure derive from continuing activities.

LORD LEYCESTER'S HOSPITAL

BALANCE SHEET

AS AT 31 DECEMBER 2024

	Notes	2024 £	2024 £	2023 £	2023 £
Fixed assets					
Tangible assets	10		771,671		813,698
Current assets					
Stocks	11	26,958		25,023	
Debtors	12	67,846		131,536	
Current Asset Investment – Bank deposit		100,000		100,000	
Cash at bank and in hand		250,679		278,836	
		445,483		535,395	
Creditors: amounts falling due within one year	13	(85,967)		(330,015)	
Net current assets			359,516		205,380
Creditors: amounts falling due after one year	14		(36,750)		(41,750)
Total assets less current liabilities			1,094,437		977,328
Income funds					
Restricted funds	15		766,848		807,297
Unrestricted funds:					
Designated funds	16		327,589		170,031
			1,094,437		977,328

The financial statements were approved by the Trustees on 20th October 2025

.....
The Rt Hon The Viscount De L'Isle C.V.O M.B.E - Patron
Trustee

.....
Dr The Hon P Sidney
Trustee

1 Accounting policies

Charity information

Lord Leycester's Hospital is a charity registered with the Charity Commission (Charity No. 216831). The principal address is 60 High Street, Warwick, CV34 4BH.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011 and "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)" (as amended for accounting periods commencing from 1 January 2019). The Charity is a Public Benefit Entity as defined by FRS 102.

The Charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes.

The current designations are:

Tangible Fixed Asset Fund

This represents the net book value of improvements made to the Hospital since 1960 and other tangible assets.

Extraordinary Repairs Reserve

This represents funds set aside to cover major renovations or repair work on the Hospital's historic buildings and provide Almshouse accommodation in order to meet the main obligation of the Hospital, in accordance with the charity's scheme.

Operating Deficit Fund

This represents the reserves set aside to cover future estimated operating shortfalls in the short term.

1.4 Income

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

1 **Accounting policies** **(Continued)**

Cash donations are recognised on receipt. Other donations are recognised once the Charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the Charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1.5 Expenditure

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings improvements	2% on cost
Plant and equipment	10% on cost
Fixtures and fittings	10% on cost
Computers	25% on reducing balance

Lord Leycester's Hospital was constructed in the late fourteenth, early fifteenth century and there is no record of the original cost and no value is attributed thereto. A number of the Charity's assets would qualify as 'Heritage' assets in line with section 18 of the Charities 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 2015) due to the fact that they are held primarily for their historical and artistic importance being contributory to knowledge and culture.

Heritage assets are recognised on the balance sheet at their cost or valuation, unless information on their cost or valuation is not available and such information cannot be obtained at a cost commensurate with the benefit to the users of the accounts and to the charity. Only land and building improvements since 1960 are included.

Freehold land and buildings improvements are depreciated at 2% of cost.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/ (expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Impairment of fixed assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1 Accounting policies **(Continued)**

1.9 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.11 Financial instruments

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

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortized cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortized.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

1 Accounting policies (Continued)

1.12 Taxation

The charity is exempt from tax on its charitable activities.

Lord Leycester's Hospital was not registered for Value Added Tax during the year. In these financial statements, where applicable, expenditure is shown inclusive of VAT.

1.13 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.14 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Charitable activities

	2024	2023
	£	£
Maintenance contributions from residents	45,796	51,934

The income received from charitable activities was £45,79 (2023: £51,934) which was all unrestricted.

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Total
	2024	2024	2024	2023
	£	£	£	£
Donations and gifts	38,485	369,910	408,395	1,535,228
	38,485	369,910	408,395	1,535,228
For the year ended 31 December 2022	30,657	1,504,571		1,535,228

4 Other trading activities

	2024	2023
	£	£
Income from visitors	143,492	55,922
Hall and equipment hire	30,618	6,195
Functions income	22,471	5,095
	196,581	67,212

The income from other trading activities was £196,581 (2023: £67,212) which was all unrestricted.

5 Interest Income

	2024	2023
	£	£
Interest receivable	3,744	9,368
	3,744	9,368

6 Charitable activities

	Restricted	Unrestricted	2024	2023
	£	£	£	£
Staff costs	-	93,209	93,209	80,346
Services	40,349	33,298	73,647	66,845
Management	-	5,044	5,044	11,580
Light and heat	-	48,673	48,673	26,566
Rates and water	-	20,443	20,443	23,624
Repairs and maintenance	-	47,440	47,440	14,489
Administration	-	13,708	13,708	17,612
Functions expenditure	-	19,636	19,636	5,961
Project LLH450 (net of capitalised costs in 2023)	210,255	-	210,255	1,703,117
	250,604	281,451	532,055	1,950,140

Analysis by fund

	2024	2023
	£	£
Unrestricted funds	281,451	202,507
Restricted funds	250,604	1,747,633
	532,055	1,950,140

7 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the Hospital during the year.

8 Governance costs

	2024	2023
	£	£
Accountancy fees	(1,148)	15,580
Independent Examiner/Audit fees	6,500	9,240
	5,352	24,820

The expenditure for governance costs was £5,352 (2023: £24,820) which was all unrestricted.

9 Employees

The average monthly number of employees during the year was:

	2024 Number	2023 Number
Administration	3	3
Other	6	5
Total	9	8

Employment costs	2024 £	2023 £
Wages and salaries	87,311	73,702
Social security costs	4,255	5,020
Other pension costs	1,643	1,624
	93,209	80,364

There is £115,799 (2023, £135,782) of employment cost is the LLH 450 project.

There were no employees whose annual remuneration was £60,000 or more.

10 Tangible fixed assets

	Freehold land and buildings improvements £	Plant and equipment £	Fixtures and fittings £	Computers £	Total £
Cost					
At 1 January 2024	633,844	83,775	140,689	77,226	935,534
Additions	-	-	-	-	-
At 31 December 2024	633,844	83,775	140,689	77,226	935,534
Depreciation and impairment					
At 1 January 2024	12,677	52,216	33,940	23,003	121,836
Depreciation charged in the year	12,677	3,507	12,287	13,556	42,027
At 31 December 2024	25,354	55,723	46,227	36,559	163,863
Carrying amount					
At 31 December 2024	608,490	28,052	94,462	40,667	771,671
At 31 December 2023	621,167	31,559	106,749	54,223	813,698

Depreciation in the related to the LH450 project is £40,349. The NBV o the project is £766,848.

11 Stocks

	2024	2023
	£	£
Finished goods and goods for resale	26,958	25,023

12 Debtors

	2024	2023
	£	£
Amounts falling due within one year:		
Trade debtors	661	40
Other debtors	21,330	36,522
Accrued Income	45,855	94,974
	67,846	131,536

13 Creditors: amounts falling due within one year

	2024	2023
	£	£
Other taxation and social security	4,939	3,731
Trade creditors	28,139	53,598
Other creditors	-	114,306
Accruals and deferred income	50,264	152,880
Almshouse Association Loan	2,625	5,500
	85,967	330,015

14 Creditors: amounts falling due after one year

	2024	2023
	£	£
Almshouse Association Loan	36,750	41,750

15 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

		Movement in funds				Movement in funds			
	Balance at 1 January 2023	Incoming resources	Resources expended	Transfers	Balance at 1 January 2024	Incoming resources	Resources expended	Transfers	Balance at 31 December 2024
	£	£	£	£	£	£	£	£	£
Capital campaign/LLH 450 Project	745,657	1,504,571	(1,747,633)	304,702	807,297	369,910	(250,604)	(159,755)	766,848
	745,657	1,504,571	(1,747,633)	304,702	807,297	369,910	(250,604)	(159,755)	766,848

Capital campaign/LLH 450 Project – This equates to the net book value of the capitalised costs related to the major project work. This will fall in future years as the capitalised costs are amortized.

16 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 January 2023	Transfers	Revaluations, gains and losses	Balance at 31 December 2023
	£	£	£	£
Extraordinary repairs reserves	350,000	(244,817)	-	105,183
Tangible fixed asset fund	66,286	(59,885)	-	6,401
Operating deficit fund	126,603	(68,156)	-	58,447
	542,889	(372,858)	-	170,031

	Balance at 1 January 2024	Transfers	Revaluations, gains and losses	Balance at 31 December 2024
	£	£	£	£
Extraordinary repairs reserves	105,183	117,583	-	222,766
Tangible fixed asset fund (exc.NBV of capitalized project)	6,401	(1,578)	-	4,823
Operating deficit fund	58,447	41,553	-	100,000
	170,031	157,558	-	327,589

17 Analysis of net assets between funds

	Unrestricted funds 2024 £	Designated funds 2024 £	Restricted funds 2024 £	Total 2024 £
Fund balances at 31 December 2024 are represented by:				
Tangible assets	-	4,823	766,848	771,671
Investments	-	-	-	-
Current assets/(liabilities)	-	322,766	-	322,766
	-	327,589	766,848	1,094,437

	Unrestricted funds 2023 £	Designated funds 2023 £	Restricted funds 2023 £	Total 2023 £
Fund balances at 31 December 2023 are represented by:				
Tangible assets	-	6,401	807,297	813,698
Investments	-	-	-	-
Current assets/(liabilities)	-	163,630	-	163,630
	-	170,031	807,297	977,328

18 Related party transactions

Mr M.Sewell is employed as an Investment Manager with Evelyn Partners Investment Management LLP and some of the Hospital's investments were held in the custody of Evelyn Partners on an execution only basis. Currently there are just small cash holdings.

LORD LEYCESTER'S HOSPITAL

England & Wales - Charity number 216831

Accounts

Charity Registration No. 216831

LORD LEYCESTER'S HOSPITAL

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

LORD LEYCESTER'S HOSPITAL

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	The Rt Hon The Viscount De L'Isle C.V.O M.B.E - Patron Mr T Cox H.M Lord Lieutenant Mr J Chambers Mr M Sewell Dr The Hon P Sidney Mrs C Cross (resigned 15th February 2024) Mrs L Fellows (appointed 4th March 2024) Cllr D Skinner (appointed 4th March 2024)
Charity number	216831
Principal address	Lord Leycester's Hospital 60 High Street Warwick CV34 4BH
Bankers	Lloyds TSB Group PLC 12 Swan St Warwick CV34 4BJ
Solicitors	Moore & Tibbits 34-36 High Street Warwick CV34 4BE
Investment managers	Smith & Williamson Investment Services Limited 25 Moorgate London EC2R 6AY
Auditors	Ellacotts Audit Services Limited Countrywide House 23 West Bar Banbury OX16 9SA
The Master	Dr H Meyer
Clerk to the Governors	Mr J Wassall

LORD LEYCESTER'S HOSPITAL

CONTENTS

	Page
Trustees report	1 - 4
Statement of Trustees responsibilities	5
Independent auditor's report	6 - 8
Statement of financial activities	9 - 10
Balance sheet	11
Notes to the financial statements	12 - 23

LORD LEYCESTER'S HOSPITAL

TRUSTEES REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

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

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Charities Act 2011 and "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)" (as amended for accounting periods commencing from 1 January 2019).

The Trustees of Lord Leycester's Hospital are also the Governors of the charity.

REFERENCE AND ADMINISTRATIVE DETAILS

Lord Leycester's Hospital's charity number, principal office, its list of Trustees and all its key advisors are set out on legal and administrative information page at the front of these Financial Statements.

The board of Trustees have delegated the day-to-day activities of the charity to the Master.

OBJECTIVES AND ACTIVITIES

The Charity provides almshouse accommodation at High Street, Warwick for poor and deserving ex-servicemen and their wives who have served in the armed forces of the crown being men of the particular classes hereinafter specified in order of preference, that is to say:-

FIRST those men who were disabled during their service and who have resided for at least four years preferably in the Borough of Warwick, the Parish of Kenilworth or the Borough of Stratford upon Avon, all in the County of Warwick, or in the Parish of Wootton under Edge or the Parish of Arlingham, both in the county of Gloucester, but subject thereto anywhere in the County of Warwick;

SECONDLY those men who were not disabled during their service but who have resided as above mentioned;

THIRDLY those men who were not disabled during their service but who have not resided as above mentioned.

To achieve these objectives the Charity has to maintain the historic medieval property. It generates income from the property to maintain the property and to provide the almshouse accommodation.

The Charity is required to provide accommodation for the Master who is responsible for the government of the Brethren.

The Charity derives income from the admission of the general public to the historic buildings – which include the Guildhall, the Great Hall, St James's Chapel, the Master's House and the Brethren's Kitchen – and lettings for events.

The Charity also derives rental income from dwellings within the Hospital's buildings.

In addition, the Charity seeks regular financial support from Service Charities, Charitable Trusts and other benefactors.

To protect the long-term security of the Hospital the Trustees have applied to the National Lottery Heritage Fund to support a major project to protect the buildings and to improve and expand the visitor experience, with the view to making the Hospital financially self-sustaining in future. This improvement to the property continued during much of 2023, mostly completed by September, allowing the Hospital to open for visitors again in September 2023. Work to improve the marketing and visitor experience will continue into 2025.

Public benefit

The Governors have had regard to guidance published by the Charity Commissioners on public benefit. Public benefit is achieved through the provision of homes for retired ex-servicemen and their wives, and the maintenance of the ancient buildings of the Hospital that form part of the nation's heritage, for educational, recreational, and other community activities.

ACHIEVEMENTS AND PERFORMANCE

Charitable activities

The Trustees have succeeded in providing homes for ex-servicemen and their wives in accordance with the Charity's objectives, plus a Helmand veteran who received life-changing injuries and now resides amongst the Brethren at the Lord Leycester Hospital.

LLH 450 Project – funded by National Lottery Heritage Fund (NLHF) & Capital Campaign

In a major effort to achieve financial self-sustainability through repair, conservation and improved visitor experience, a decision was taken by the Governors in 2019 to apply for a national level NLHF grant and to launch a campaign to raise partner funds. The Round 2 NLHF application, for a restoration and improvement project, was approved by NLHF in September 2021. The work started in July 2022 and it was mostly completed by the end of September 2023. The Hospital was reopened to the public in September 2023. It closed for the first 3 months of 2024 to enable various snagging works to be completed.

The cost of the full project is expected to be close to £3.6 million. In addition to the NLHF funding of close to £2m, and the Hospital's own financial contribution from its reserves of £350k, the fundraising campaign has secured commitments for the remaining £1.24m.

Fundraising will continue during 2024 and into 2025 to cover future maintenance needs.

FINANCIAL REVIEW

Results for the year

During the year total income amounted to £1,663,742 (2022: £1,109,631). In preparation for the LLH 450 capital campaign project works trading was significantly reduced as the Hospital ceased most activities at the end of 2021, being closed throughout 2022 and reopening in September 2023. Income from trading activities increased to £67,212 from £16,108 in 2022. Donations and grants increased from £1,047,691 in 2022 to £1,535,228. Of this £1,504,571 was restricted donations and grants, which included £1,184,992 from NLHF as their share of the LLH 450 project.

Expenditure on charitable activities increased to £1,950,140 (2022: £722,463), which included £1,703,117 (2022: £560,739) associated with the LLH 450 project. Other expenditure rose from £12,432 in 2022 to £24,820 in 2023. There was also £789,913 of LLH 450 project expenditure that was capitalised in the year (£851,813 cumulatively). Depreciation of the capitalised project costs commenced in 2023, at £44,516. The Net Book Value of the capitalised costs of £807,297 is represented by the Restricted Funds.

The Charity made a deficit of £311,218 (2022: surplus of £374,726), as income raised in the previous year was spend on the capital project in 2023.

Prior Period Adjustment

A prior period adjustment has been made to fully write down £125,027 of property improvements in 2022's financial statements that were incurred prior to 1970. These assets had not previously been depreciated, so the adjustment has had no effect on the Statement of Financial Activities for the prior year. Details in Note 19.

Reserves Policy

In addition to any specific Restricted Funds certain Funds are designated by the Governors to represent amounts set aside to specifically support the future activities of the Hospital. The Charity is also required by its Scheme to maintain an Extraordinary Repairs Reserve. Having had its quinquennial property review in 2015 the Governors have agreed to retain a balance of £350,000 to deal with priority repairs required. The amount in this designated reserve is to be used as the Charity's contribution to the NLHF project.

It is the policy of the Charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The Trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

The Operating Deficit Fund is funds set aside to cover the loss of income whilst the LLH 450 project is undertaken. £68,156 was utilised during 2023 leaving a balance at 31st December 2023 of £58,447, to cover the remaining period of project through 2024 and into 2025.

The General Reserve Fund represents any unrestricted funds that have not been designated and is readily available funds for the activities of the Charity. This currently stands at nil, as all funds are restricted or designated.

Investments and Investment policy

The funds held in investments have been held as cash deposits since 2020. The cash is required to fund the Hospital's own contribution to the NHLF project and to support the Hospital during the period the works are to be done, when there will be minimal income.

PLANS FOR THE FUTURE

Now that the works have been completed the Hospital continues to provide a home for the Brethren, as well as now being open to museum visitors and available for venue hire.

The NLHF project hasn't finished yet. Work continues to improve marketing and the visitor experience by enhancing the museum and heritage element. In order to make the Hospital self-sufficient for the future. This will continue into 2025.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Charity is a company limited by guarantee and is constituted by a scheme dated 23 May 1972 laid down by An Act of Parliament and is registered with the Charity Commissioners (No. 216831).

The Viscount De L'Isle, as direct descendant of the Founder's Heir-at-Law, is Hereditary Patron of the Hospital and Chairman of Governors. Her Majesty's Lord Lieutenant for the County of Warwickshire is a Governor and will change as does the incumbent of that appointment. One Governor is appointed by the Warwick Town Council on the basis of a three year incumbency. Other Governors are recruited as necessary to ensure that a good range of experience, influence and expertise is brought to bear in furthering the aims and objectives of the Charity.

Induction and continuation training is undertaken as judged necessary by the Governors in accordance with Standards of Almshouse Management promulgated by the Almshouse Association.

The Trustees who served during the year and up to the date of signature of the financial statements were:

The Rt Hon The Viscount De L'Isle C.V.O M.B.E - Patron
Mr T Cox H.M Lord Lieutenant
Mr J Chambers
Mr M Sewell
Dr The Hon P Sidney
Mrs C Cross
Mrs L Fellows
Cllr D Skinner

The charity's long term objectives are driven by the board of trustees who meet twice a year to discuss the matters of the charity, with additional meetings as required.

The board of trustees have delegated the day to day activities of the charity to the Master.

Risk management

The board of trustees have considered the risks to which the Charity is exposed, and have established systems for mitigating those risks. Strategic and shorter range plans are reviewed regularly. Internal risks are minimised by implementing procedures for authorising transactions and by ensuring consistent quality of delivery for all operational aspects of the Charity. The board of trustees review these procedures periodically.

The Trustees report was approved by the Board of Trustees.

De L'Isle

The Rt Hon The Viscount De L'Isle C.V.O M.B.E - Patron
Trustee

Dated: 21/10/24

Dr The Hon P Sidney
Trustee

Dated: 21/10/24

LORD LEYCESTER'S HOSPITAL

STATEMENT OF TRUSTEES RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2023

The trustees, who are also the directors of Lord Leycester's Hospital for the purpose of company law, are responsible for preparing the Trustee's Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;

- observe the methods and principles in the Charities SORP;

- make judgements and estimates that are reasonable and prudent;

- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

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

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

LORD LEYCESTER'S HOSPITAL

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF LORD LEYCESTER'S HOSPITAL

Opinion

We have audited the financial statements of Lord Leycester's Hospital (the 'charity') for the year ended 31 December 2023 which comprise the statement of financial activities, the balance sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2023 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 Companies Act 2006.

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 *Auditor's 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 UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the 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.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's 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 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 in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

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

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

As part of an audit in accordance with ISAs (UK), We exercise professional judgment and maintain professional scepticism throughout the audit. We also performed the following procedures:

- Enquiry of management and those charged with governance around actual and potential litigation and claims.
- Enquiry of entity staff in compliance functions to identify any instances of non-compliance with laws and regulations.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including thorough testing of journal entries and other adjustments for appropriateness, and evaluating the rationale of significant transactions outside the normal course of business for the charity.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

....
Charlotte Toemaes BSc FCA (Senior Statutory Auditor)
for and on behalf of Ellacotts Audit Services Limited

Chartered Accountants
Statutory Auditor
Countrywide House
23 West Bar
Banbury
Oxfordshire
England
OX16 9SA

LORD LEYCESTER'S HOSPITAL

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

Current financial year

	Notes	Unrestricted funds 2023 £	Designated funds 2023 £	Restricted funds 2023 £	Total 2023 £	Total 2022 £
Income from:						
Donations and legacies	3	30,657	-	1,504,571	1,535,228	1,047,691
Charitable activities	2	51,934	-	-	51,934	45,626
Other trading activities	4	67,212	-	-	67,212	16,108
Interest Income	5	9,368	-	-	9,368	206
Total income		159,171	-	1,504,571	1,663,742	1,109,631
Expenditure on:						
Charitable activities	6	202,507	-	1,747,633	1,950,140	722,473
Governance costs	8	24,820	-	-	24,820	12,432
Total resources expended		227,327	-	1,747,633	1,974,960	734,905
Net incoming resources		(68,156)	-	(243,062)	(311,218)	374,726
Gross transfers between funds		68,156	(372,858)	304,702	-	-
Net movement in funds		-	(372,858)	61,640	(311,218)	374,726
Fund balances at 1 January 2023 - AS RESTATED		-	542,889	745,657	1,288,546	913,830
Fund balances at 31 December 2023		-	170,031	807,297	977,328	1,288,546

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

All income and expenditure derive from continuing activities.

LORD LEYCESTER'S HOSPITAL

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

Prior financial year

	Notes	Unrestricted funds 2022 £	Designated funds 2022 £	Restricted funds 2022 £	Total 2022 £
Income from:					
Donations and legacies	3	23,196	-	1,024,495	1,047,691
Charitable activities	2	45,626	-	-	45,626
Other trading activities	4	16,108	-	-	16,108
Interest Income	5	206	-	-	206
Total income		85,136	-	1,024,495	1,109,631
Expenditure on:					
Charitable activities	6	150,155	-	572,318	722,473
Governance costs	8	12,432	-	-	12,432
Total resources expended		162,587	-	572,318	734,905
Net incoming resources		(77,451)	-	452,177	374,726
Gross transfers between funds		73,789	(11,889)	(61,900)	-
Net movement in funds		(3,662)	(11,889)	390,277	374,726
Fund balances at 1 January 2022 – AS RESTATED		3,662	554,778	355,380	913,820
Fund balances at 31 December 2022 – AS RESTATED		-	542,889	745,657	1,288,546

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

All income and expenditure derive from continuing activities.

LORD LEYCESTER'S HOSPITAL

BALANCE SHEET

AS AT 31 DECEMBER 2023

	Notes	2023 £	2023 £	2022 AS RESTATED £	2022 AS RESTATED £
Fixed assets					
Tangible assets	10		813,698		66,286
Current assets					
Stocks	11	25,023		25,861	
Debtors	12	131,536		157,010	
Current Asset Investment – Bank deposit		100,000		-	
Cash at bank and in hand		278,836		1,262,002	
		535,395		1,444,873	
Creditors: amounts falling due within one year	13	(330,015)		(175,363)	
Net current assets			205,380		1,269,510
Creditors: amounts falling due after one year	14		(41,750)		(47,250)
Total assets less current liabilities			977,328		1,288,546
Income funds					
Restricted funds	15		807,297		745,657
Unrestricted funds:					
Designated funds	16		170,031		542,889
			977,328		1,288,546

The financial statements were approved by the Trustees on 21st October 2024

De L'Isle	
.....	.....
The Rt Hon The Viscount De L'Isle C.V.O M.B.E - Patron	Dr The Hon P Sidney
Trustee	**Trustee**

1 Accounting policies

Charity information
Lord Leycester's Hospital is a charity registered with the Charity Commission (Charity No. 216831). The principal address is 60 High Street, Warwick, CV34 4BH.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011 and "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)" (as amended for accounting periods commencing from 1 January 2019). The Charity is a Public Benefit Entity as defined by FRS 102.

The Charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes.

The current designations are:

Tangible Fixed Asset Fund
This represents the net book value of improvements made to the Hospital since 1960 and other tangible assets.

Extraordinary Repairs Reserve
This represents funds set aside to cover major renovations or repair work on the Hospital's historic buildings and provide Almshouse accommodation in order to meet the main obligation of the Hospital, in accordance with the charity's scheme.

Operating Deficit Fund
This represents the reserves set aside to cover future estimated operating shortfalls in the short term.

1.4 Income

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

1 **Accounting policies** **(Continued)**

Cash donations are recognised on receipt. Other donations are recognised once the Charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the Charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1.5 Expenditure

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings improvements	2% on cost
Plant and equipment	10% on cost
Fixtures and fittings	10% on cost
Computers	25% on reducing balance

Lord Leycester's Hospital was constructed in the late fourteenth, early fifteenth century and there is no record of the original cost and no value is attributed thereto. A number of the Charity's assets would qualify as 'Heritage' assets in line with section 18 of the Charities 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 2015) due to the fact that they are held primarily for their historical and artistic importance being contributory to knowledge and culture.

Heritage assets are recognised on the balance sheet at their cost or valuation, unless information on their cost or valuation is not available and such information cannot be obtained at a cost commensurate with the benefit to the users of the accounts and to the charity. Only land and building improvements since 1960 are included.

Freehold land and buildings improvements are depreciated at 2% of cost.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/ (expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Impairment of fixed assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1 Accounting policies (Continued)

1.9 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.11 Financial instruments

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

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortized cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortized.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

1 Accounting policies (Continued)

1.12 Taxation

The charity is exempt from tax on its charitable activities.

Lord Leycester's Hospital was not registered for Value Added Tax during the year. In these financial statements, where applicable, expenditure is shown inclusive of VAT.

1.13 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.14 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Charitable activities

	2023	2022
	£	£
Maintenance contributions from residents	51,934	45,626

The income received from charitable activities was £51,934 (2022: £45,626) which was all unrestricted.

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Total
	2023	2023	2023	2022
	£	£	£	£
Donations and gifts	30,657	1,504,571	1,535,228	1,047,691
	30,657	1,504,571	1,535,228	1,047,691
For the year ended 31 December 2022	23,196	1,024,495		1,047,691

4 Other trading activities

	2023 £	2022 £
Income from visitors	55,922	11,192
Hall and equipment hire	6,195	2,906
Functions income	5,095	2,010
	67,212	16,108

The income from other trading activities was £67,212 (2022: £16,108) which was all unrestricted.

5 Interest Income

	2023 £	2022 £
Interest receivable	9,368	206
	9,368	206

6 Charitable activities

	Restricted	Unrestricted	2023	2022
	£	£	£	£
Staff costs	-	80,346	80,346	64,822
Services	44,516	22,329	66,845	9,030
Management	-	11,580	11,580	4,545
Light and heat	-	26,566	26,566	18,028
Rates and water	-	23,624	23,624	23,946
Repairs and maintenance	-	14,489	14,489	31,360
Administration	-	17,612	17,612	8,305
Functions expenditure	-	5,961	5,961	1,698
Project LLH450 (net of capitalised costs of £789,913)	1,703,117	-	1,703,117	560,739
	1,747,633	202,507	1,950,140	722,473

Analysis by fund

Unrestricted funds	202,507	150,155
Restricted funds	1,747,633	572,318
	1,950,140	722,473

7 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the Hospital during the year.

8 Governance costs

	2023	2022
	£	£
Accountancy fees	15,580	4,032
Audit fees	9,240	8,400
	24,820	12,432

The expenditure for governance costs was £24,820 (2022: £12,432) which was all unrestricted.

9 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Administration	3	3
Other	5	4
Total	8	7

Employment costs	2023 £	2022 £
Wages and salaries	73,702	62,643
Social security costs	5,020	1,279
Other pension costs	1,624	900
	80,346	64,822

There is £135,782 (2022, £27,300) of employment cost is the LLH 450 project.

There were no employees whose annual remuneration was £60,000 or more.

10 Tangible fixed assets

	Freehold land and buildings improvements £	Plant and equipment £	Fixtures and fittings £	Computers £	Total £
Cost					
At 1 January 2023 – AS RESTATED	61,900	48,709	22,738	6,956	140,303
Additions	571,944	35,066	117,951	70,270	795,231
At 31 December 2023	633,844	83,775	140,689	77,226	935,534
Depreciation and impairment					
At 1 January 2023	-	48,709	19,972	5,336	74,017
Depreciation charged in the year	12,677	3,507	13,968	17,667	47,819
At 31 December 2023	12,677	52,216	33,940	23,003	121,836
Carrying amount					
At 31 December 2023	621,167	31,559	106,749	54,223	813,698
At 31 December 2022 – AS RESTATED	61,900	-	2,766	1,620	66,286

£789,913 of the additions is the capitalized element of the LLH 450 project (£851,813 in total). The capital element of the project completed in 2023, so depreciation has commenced. Depreciation related to the project is £44,516.

See Note 20 re Prior Year Adjustment, which relates to building improvements.

11 Stocks

	2023	2022
	£	£
Finished goods and goods for resale	25,023	25,861

12 Debtors

	2023	2022
	£	£
Amounts falling due within one year:		
Trade debtors	40	24
Other debtors	36,522	13,492
Accrued Income	94,974	143,494
	131,536	157,010

13 Creditors: amounts falling due within one year

	2023	2022
	£	£
Other taxation and social security	3,731	2,208
Trade creditors	53,598	66,143
Other creditors	114,306	-
Accruals and deferred income	152,880	101,762
Almshouse Association Loan	5,500	5,250
	330,015	175,363

14 Creditors: amounts falling due after one year

	2023	2022
	£	£
Almshouse Association Loan	41,750	47,250

15 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

		Movement in funds			Movement in funds			
	Balance at 1 January 2022	Incoming resources	Resources expended	Transfers	Balance at 1 January 2023	Incoming resources	Resources expended	Transfers	Balance at 31 December 2023
	£	£	£	£	£	£	£	£	£
Capital campaign/LLH 450 Project	355,380	1,012,916	(560,739)	(61,900)	745,657	1,504,571	(1,747,633)	304,702	807,297
Almshouses	-	10,579	(10,579)	-	-	-	-	-	-
Apprenticeship	-	1,000	(1,000)	-	-	-	-	-	-
	355,380	1,024,495	(572,318)	(61,900)	745,657	1,504,571	(1,747,633)	304,702	807,297

Capital campaign/LLH 450 Project – This equates to the net book value of the capitalised costs related to the major project work. This will fall in future years as the capitalised costs are amortized.

Almshouse - Any funds received with a restriction relating to the almshouses are included within this fund

Apprenticeship - Any funds received with a restriction relating to apprenticeships.

16 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 January 2022 AS RESTATED	Transfers	Revaluations, gains and losses	Balance at 31 December 2022 AS RESTATED
	£	£	£	£
Extraordinary repairs reserves	350,000	-	-	350,000
Tangible fixed asset fund	6,024	60,262	-	66,286
Operating deficit fund	198,754	(72,151)	-	126,603
	554,778	(11,889)	-	542,889

	Balance at 1 January 2023 AS RESTATED	Transfers	Revaluations, gains and losses	Balance at 31 December 2023
	£	£	£	£
Extraordinary repairs reserves	350,000	(244,817)	-	105,183
Tangible fixed asset fund (exc.NBV of capitalized project)	66,286	(59,885)	-	6,401
Operating deficit fund	126,603	(68,156)	-	58,447
	542,889	(372,858)	-	170,031

17 Analysis of net assets between funds

	Unrestricted funds 2023	Designated funds 2023	Restricted funds 2023	Total 2023
	£	£	£	£
Fund balances at 31 December 2023 are represented by:				
Tangible assets	-	6,401	807,297	813,698
Investments	-	-	-	-
Current assets/(liabilities)	-	163,630	-	163,630
	-	170,031	807,297	977,328

	Unrestricted funds 2022	Designated funds 2022	Restricted funds 2022	Total 2022
	£	£	£	£
Fund balances at 31 December 2022 – as Restated - are represented by:				
Tangible assets	-	66,286	-	66,286
Investments	-	-	-	-
Current assets/(liabilities)	-	476,604	745,657	1,222,260
	-	542,889	745,657	1,288,546

18 Related party transactions

M.G. Sewell is employed as an Investment Manager with Smith & Williamson Investment Management LLP and some of the Hospital's investments were held in the custody of Smith & Williamson on an execution only basis. Currently there are just small cash holdings.

19 Prior Period Adjustment

Reconciliation of changes in Tangible fixed asset fund - 2022

	Originally reported	Adjust-ment	2022 AS RESTATED
	£	£	£
Balance at 1 January 2022	131,051	(125,027)	6,024
Transfers	60,260	-	60,260
Balance at 31 December 2022	191,313	(125,027)	66,286

Reconciliation of changes in profit for the previous financial period

No effect on the period financial period.

Notes to Reconciliations

The prior period adjustment relates to the 100% write down of £125,027 of property improvements that were incurred prior to 1970. These assets had not previously been depreciated, so the adjustment has had no effect on the Statement of Financial Activities for the prior year.

20 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating lease, which fall due as follows:

	2023 £
Within one year	6,271
Between two and five years	14,297
In over five years	4,255
	24,827

LORD LEYCESTER'S HOSPITAL

England & Wales - Charity number 216831

Accounts

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Charity Registration No. 216831

LORD LEYCESTER'S HOSPITAL

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

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LORD LEYCESTER'S HOSPITAL

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	The Rt Hon The Viscount De L'Isle C.V.O M.B.E - Patron Mr T Cox H.M Lord Lieutenant Mr J Chambers Mr M Sewell Dr The Hon P Sidney Mrs C Cross Cllr L Butler (resigned 4th May 2023)
Charity number	216831
Principal address	Lord Leycester's Hospital 60 High Street Warwick CV34 4BH
Bankers	Lloyds TSB Group PLC 12 Swan St Warwick CV34 4BJ
Solicitors	Blythe Liggins Edmund House Rugby Road Leamington Spa CV32 6EL Wright Hassall LLP Olympus Ave Royal Leamington Spa Warwick CV34 6BF
Investment managers	Smith & Williamson Investment Services Limited 25 Moorgate London EC2R 6AY
Auditors	Ellacotts Audit Services Limited Countrywide House 23 West Bar Banbury OX16 9SA
The Master	Dr H Meyer
Clerk to the Governors	Mr J. Wassall

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LORD LEYCESTER'S HOSPITAL

CONTENTS

	Page
Trustees report	1 - 4
Statement of Trustees responsibilities	5
Independent auditor's report	6 - 8
Statement of financial activities	9 - 10
Balance sheet	11
Notes to the financial statements	12 - 22

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LORD LEYCESTER'S HOSPITAL

TRUSTEES REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

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

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Charities Act 2011 and "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)" (as amended for accounting periods commencing from 1 January 2019).

The Trustees of Lord Leycester's Hospital are also the Governors of the charity.

REFERENCE AND ADMINISTRATIVE DETAILS

Lord Leycester's Hospital's charity number, principal office, its list of Trustees and all its key advisors are set out on legal and administrative information page at the front of these Financial Statements.

The board of Trustees have delegated the day-to-day activities of the charity to the Master.

OBJECTIVES AND ACTIVITIES

The Charity provides almshouse accommodation at High Street, Warwick for poor and deserving ex-servicemen and their wives who have served in the armed forces of the crown being men of the particular classes hereinafter specified in order of preference, that is to say:-

FIRST those men who were disabled during their service and who have resided for at least four years preferably in the Borough of Warwick, the Parish of Kenilworth or the Borough of Stratford upon Avon, all in the County of Warwick, or in the Parish of Wootton under Edge or the Parish of Arlingham, both in the county of Gloucester, but subject thereto anywhere in the County of Warwick;

SECONDLY those men who were not disabled during their service but who have resided as above mentioned;

THIRDLY those men who were not disabled during their service but who have not resided as above mentioned.

To achieve these objectives the Charity has to maintain the historic medieval property. It generates income from the property to maintain the property and to provide the almshouse accommodation.

The Charity is required to provide accommodation for the Master who is responsible for the government of the Brethren.

The Charity derives income from the admission of the general public to the historic buildings – which include the Guildhall, the Great Hall, St James's Chapel and the Brethren's Kitchen – and lettings for events.

The Charity also derives rental income from dwellings within the Hospital's buildings.

In addition, the Charity seeks regular financial support from Service Charities, Charitable Trusts and other benefactors.

To protect the long-term security of the Hospital the Trustees have applied to the National Lottery Heritage Fund to support a major project to protect the buildings and to improve and expand the visitor experience, with the view to making the Hospital financially self-sustaining in future. This work commenced in 2022.

We aim to recruit volunteers from our local community as a way of augmenting costs and to involve the community in a meaningful way in our charity. Being closed for the most activities during the year and with building work on site this has reduced during the year but should increase many fold post our Heritage Lottery project.

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Public benefit

The Governors have had regard to guidance published by the Charity Commissioners on public benefit. Public benefit is achieved through the provision of homes for retired ex-servicemen and their wives, and the maintenance of the ancient buildings of the Hospital that form part of the nation's heritage, for educational, recreational, and other community activities.

ACHIEVEMENTS AND PERFORMANCE

Charitable activities

The Trustees have succeeded in providing homes for ex-servicemen and their wives in accordance with the Charity's objectives, plus a Helmand veteran who received life-changing injuries and now resides amongst the Brethren at the Lord Leycester Hospital.

LLH 450 Project – funded by National Lottery Heritage Fund (NLHF) & Capital Campaign

In a major effort to achieve financial self-sustainability through repair, conservation and improved visitor experience, a decision was taken by the Governors in 2019 to apply for a national level NLHF grant and to launch a campaign to raise partner funds. The Round 2 NLHF application, for a restoration and improvement project, was approved by NLHF in September 2021. The work was scheduled to commence in March 2022 but actually started in July. It was mostly completed by September 2023. The Hospital was opened to the public in September 2023.

The cost of the full project is expected to be close to £3.6 million. In addition to the NLHF funding of close to £2m, and the Hospital's own financial contribution from its reserves of £350k, the fundraising campaign has secured commitments for the remaining £1.24m.

Fundraising will continue during 2023 and into 2024 to cover future maintenance needs.

FINANCIAL REVIEW

Results for the year

During the year total income amounted to £1,109,631 (2021: £550,299). In preparation for the LLH 450 capital campaign project works trading was significantly reduced as the Hospital ceased most activities at the end of 2021. Income from trading activities dropped to £16,108 from £123,729 in 2021. Donations and grants increased from £404,164 in 2021 to £1,047,691. Of this £1,024,495 was restricted donations and grants, which included £323,195 from NLHF as their share of the LLH 450 project.

Expenditure on charitable activities decreased to £781,373 (2020: £375,803), which include £560,739 associated with the LLH 450 project. Other expenditure rose from £9,736 in 2021 to £12,432 in 2022.There was also £61,900 of LLH 450 project expenditure that was capitalised.

The Charity made a surplus of £374,726 (2021: £164,760). The nature of charity accounts is that all grant income is recorded in the year receivable, whilst costs are shown as incurred. Much of the income raised through the capital campaign will be spent as the LLH 450 project continues into 2023.

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Reserves Policy

In addition to any specific Restricted Funds certain Funds are designated by the Governors to represent amounts set aside to specifically support the future activities of the Hospital. The Charity is also required by its Scheme to maintain an Extraordinary Repairs Reserve. Having had its quinquennial property review in 2015 the Governors have agreed to retain a balance of £350,000 to deal with priority repairs required. The amount in this designated reserve is to be used as the Charity's contribution to the NLHF project.

It is the policy of the Charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The Trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

The Operating Deficit Fund is funds set aside to cover the loss of income whilst the LLH 450 project work is undertaken. £72,151 was utilised during 2022 leaving a balance at 31st December 2022 of £126,603, to cover the remaining period of project work during 2023.

The General Reserve Fund represents any unrestricted funds that have not been designated and is readily available funds for the activities of the Charity. This currently stands at nil, as all funds are restricted or designated.

Investments and Investment policy

The funds held in investments have been held as cash deposits since 2020. The cash is required to fund the Hospital's own contribution to the NHLF project and to support the Hospital during the period the works are to be done, when there will be minimal income.

PLANS FOR THE FUTURE

During the period of works for the NLHF project the Hospital will continue to provide a home for the Brethren, but will be closed to museum visitors and for venue hire.

The NLHF project should help to ensure the Hospital's future self sufficiency. In addition to building repairs, the capital works are designed to improve access for the disabled and to improve the visitor experience, by enhancing the museum and heritage element.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Charity is a company limited by guarantee and is constituted by a scheme dated 23 May 1972 laid down by An Act of Parliament and is registered with the Charity Commissioners (No. 216831).

The Viscount De L'Isle, as direct descendant of the Founder's Heir-at-Law, is Hereditary Patron of the Hospital and Chairman of Governors. Her Majesty's Lord Lieutenant for the County of Warwickshire is a Governor and will change as does the incumbent of that appointment. One Governor is appointed by the Warwick Town Council on the basis of a three year incumbency. Other Governors are recruited as necessary to ensure that a good range of experience, influence and expertise is brought to bear in furthering the aims and objectives of the Charity.

Induction and continuation training is undertaken as judged necessary by the Governors in accordance with Standards of Almshouse Management promulgated by the Almshouse Association.

The Trustees who served during the year and up to the date of signature of the financial statements were:

The Rt Hon The Viscount De L'Isle C.V.O M.B.E - Patron
Mr T Cox H.M Lord Lieutenant
Mr J Chambers
Mr M Sewell
Dr The Hon P Sidney
Mrs C Cross
Cllr L Butler

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The charity's long term objectives are driven by the board of trustees who meet twice a year to discuss the matters of the charity, with additional meetings as required.

The board of trustees have delegated the day to day activities of the charity to the Master.

Risk management

The board of trustees have considered the risks to which the Charity is exposed, and have established systems for mitigating those risks. Strategic and shorter range plans are reviewed regularly. Internal risks are minimised by implementing procedures for authorising transactions and by ensuring consistent quality of delivery for all operational aspects of the Charity. The board of trustees review these procedures periodically.

Covid 19

Covid 19 lockdowns resulted in 20 weeks closure from January to mid-May. This compares to 23 weeks closure in 2020 (end of March to mid-July, then mid-November to the end of the year).

During periods of lockdown there was no visitor income or hall letting. However, when open in 2021 visitor income and hire significantly exceeded 2020; 80% and 260% respectively.

As the Hospital closed at the end of 2021 in preparation for the project work through to 2023 the Trustees consider that Covid 19 will not impact on the Charity as a going concern.

The Trustees report was approved by the Board of Trustees.

.....

The Rt Hon The Viscount De L'Isle C.V.O M.B.E - Patron
Trustee
Dated: 28 Oct 23

.....

Dr The Hon P Sidney
Trustee
Dated: 28. x. 2023

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LORD LEYCESTER'S HOSPITAL

STATEMENT OF TRUSTEES RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2022

The trustees, who are also the directors of Lord Leycester's Hospital for the purpose of company law, are responsible for preparing the Trustee's Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;

- observe the methods and principles in the Charities SORP;

- make judgements and estimates that are reasonable and prudent;

- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

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

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

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LORD LEYCESTER'S HOSPITAL

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF LORD LEYCESTER'S HOSPITAL

Qualified opinion

We have audited the financial statements of Lord Leycester's Hospital (the 'Charity') for the year ended 31 December 2022 which comprise the statement of financial activities, the balance sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, except for the possible effects of the matter described in the basis for qualified opinion section of our report below, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2022 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 qualified opinion

The evidence available to us was limited in relation to the comparatives in the current year's financial statements which are derived from the unaudited financial statements for the year ended 31 December 2021. As the comparatives were not audited and we were appointed as auditor in April 2023 it was not possible for us to perform the auditing procedures necessary to obtain sufficient appropriate audit evidence concerning the comparative figures. Any adjustment to these comparative figures would have an affect on the charity's results for the year ended 31 December 2022.

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's 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 we do not express any form of assurance conclusion thereon.

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Matters on which we are required to report by exception

Except for the possible effects of the matters described in the Basis for qualified opinion section of our report, in light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified any material misstatement in the annual report.

Arising solely from the limitation on the scope of our work relating to comparative figures referred to above:

- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and
- we were unable to determine whether sufficient accounting records had been maintained.

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees report; or
- the financial statements are not in agreement with the accounting records.

Responsibilities of Trustees

As explained more fully in the statement of Trustees responsibilities, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the 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 cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also performed the following procedures:

- Enquiry of management and those charged with governance around actual and potential litigation and claims.
- Enquiry of entity staff in compliance functions to identify any instances of non-compliance with laws and regulations.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

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A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Charlotte Toemaes

Charlotte Toemaes BSc FCA
for and on behalf of Ellacotts Audit Services Limited

Chartered Accountants
Statutory Auditor
Countrywide House
23 West Bar
Banbury
Oxfordshire
England
OX16 9SA

Date: 30/10/2023 | 14:04 GMT

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LORD LEYCESTER'S HOSPITAL

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

Current financial year

	Notes	Unrestricted funds 2022 £	Designated funds 2022 £	Restricted funds 2022 £	Total 2022 £	Total 2021 £
Income from:						
Donations and legacies	3	23,196	-	1,024.495	1,047,691	404,164
Charitable activities	2	45,626	-	-	45,626	22,378
Other trading activities	4	16,108	-	-	16,108	123,729
Investments	5	206	-	-	206	28
Total income		85,136	-	1,024,495	1,109,631	550,299
Expenditure on:						
Charitable activities	6	150,155	-	572,318	722,473	375,803
Governance costs	8	12,432	-	-	12,432	9,736
Total resources expended		162,587	-	572,318	734,905	385,539
Net incoming resources		(77,451)	-	452,177	374,726	164,760
Gross transfers between funds		73,789	(11,889)	(61,900)	-	-
Net movement in funds		(3,662)	(11,889)	390,277	374,726	164,760
Fund balances at 1 January 2022		3,662	679,805	355,380	1,038,847	874,087
Fund balances at 31 December 2022		-	667,916	745,657	1,413,573	1,038,847

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

All income and expenditure derive from continuing activities.

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LORD LEYCESTER'S HOSPITAL

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

Prior financial year

	Notes	Unrestricted funds 2021 £	Designated funds 2021 £	Restricted funds 2021 £	Total 2021 £
Income from:					
Donations and legacies	3	84,527	-	319,637	404,164
Charitable activities	2	22,378	-	-	22,378
Other trading activities	4	123,729	-	-	123,729
Investments	5	28	-	-	28
Total income		230,622	-	319,637	550,299
Expenditure on:					
Charitable activities	6	195,057	-	179,746	375,803
Governance costs	8	9,736	-	-	9,736
Total resources expended		205,793	-	179,746	385,539
Net incoming resources		28,869	-	138,891	164,760
Gross transfers between funds		(21,207)	21,207	-	-
Net movement in funds		3,662	21,207	138,891	664,760
Fund balances at 1 January 2021		-	658,598	215,489	874,087
Fund balances at 31 December 2021		3,662	679,805	355,380	1,038,847

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

All income and expenditure derive from continuing activities.

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LORD LEYCESTER'S HOSPITAL

BALANCE SHEET

AS AT 31 DECEMBER 2022

	Notes	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Tangible assets	10		191,313		131,051
Investments	11		-		488,671
			191,313		619,722
Current assets					
Stocks	12	25,861		25,135	
Debtors	13	157,010		4,100	
Cash at bank and in hand		1,262,002		412,964	
		1,444,873		442,199	
Creditors: amounts falling due within one year	14	(175,363)		(23,074)	
Net current assets			1,269,510		419,125
Creditors: amounts falling due after one year	15		(47,250)		-
Total assets less current liabilities			1,413,573		1,038,847
Income funds					
Restricted funds	16		745,657		355,380
Unrestricted funds:	17				
Designated fund		667,916		679,805	
Unrestricted reserve		-		3,662	
			667,916		683,467
			1,413,573		1,038,847

The financial statements were approved by the Trustees on 28.x.2023

.....

The Rt Hon The Viscount De L'Isle C.V.O M.B.E - Patron
Trustee

.....

Dr The Hon P Sidney
Trustee

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1 Accounting policies

Charity information

Lord Leycester's Hospital is a charity registered with the Charity Commission (Charity No. 216831). The principal address is 60 High Street, Warwick, CV34 4BH.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011 and "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)" (as amended for accounting periods commencing from 1 January 2019). The Charity is a Public Benefit Entity as defined by FRS 102.

The Charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes.

The current designations are:

Tangible Fixed Asset Fund
This represents the net book value of improvements made to the Hospital since 1960 and other tangible assets.

Extraordinary Repairs Reserve
This represents funds set aside to cover major renovations or repair work on the Hospital's historic buildings and provide Almshouse accommodation in order to meet the main obligation of the Hospital, in accordance with the charity's scheme.

Operating Deficit Fund
This represents the reserves set aside to cover future estimated operating shortfalls in the short term.

1.4 Income

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

DocuSign Envelope ID: 224FA1A4-010D-44DB-9407-C9D1773DC773

1 **Accounting policies** **(Continued)**

Cash donations are recognised on receipt. Other donations are recognised once the Charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the Charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1.5 Expenditure

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	Not depreciated
Plant and equipment	10% on cost
Fixtures and fittings	10% on cost
Computers	25% on reducing balance

Freehold land and buildings are not depreciated due to the fact that they are maintained in such a manner that their residual value is at least equal to the current net book value as stated within the charity's accounts.

Lord Leycester's Hospital was constructed in the late fourteenth, early fifteenth century and there is no record of the original cost and no value is attributed thereto. A number of the Charity's assets would qualify as 'Heritage' assets in line with section 18 of the Charities 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 2015) due to the fact that they are held primarily for their historical and artistic importance being contributory to knowledge and culture.

Heritage assets are recognised on the balance sheet at their cost or valuation, unless information on their cost or valuation is not available and such information cannot be obtained at a cost commensurate with the benefit to the users of the accounts and to the charity.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/ (expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Impairment of fixed assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

DocuSign Envelope ID: 224FA1A4-010D-44DB-9407-C9D1773DC773

1 Accounting policies

(Continued)

1.9 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.11 Financial instruments

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

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

DocuSign Envelope ID: 224FA1A4-010D-44DB-9407-C9D1773DC773

1 Accounting policies (Continued)

1.12 Taxation

The charity is exempt from tax on its charitable activities.

Lord Leycester's Hospital was not registered for Value Added Tax during the year. In these financial statements, where applicable, expenditure is shown inclusive of VAT.

1.13 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.14 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Charitable activities

	2022	2021
	£	£
Maintenance contributions from residents	45,626	22,378

The income received from charitable activities was £45,626 (2021: £22,378) which was all unrestricted.

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Total
	2022	2022	2022	2021
	£	£	£	£
Donations and gifts	23,196	1,024,495	1,047,691	353,700
Government grants	-	-	-	50,464
	23,196	1,024,495	1,047,691	404,164
For the year ended 31 December 2021	84,527	319,637		404,164

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4 Other trading activities

	2022 £	2021 £
Income from visitors	11,192	61,532
Hall and equipment hire	2,906	39,025
Commission	-	529
Functions income	2,010	5,643
Filming income	-	17,000
	16,108	123,729

The income from other trading activities was £16,108 (2021: £123,729) which was all unrestricted.

5 Investments

	2022 £	2021 £
Interest receivable	206	28
	206	28

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6 Charitable activities

	Restricted £	Unrestricted £	2022 £	2021 £
Staff costs	1,000	63,822	64,822	115,335
Services	-	9,030	9,030	27,805
Management	-	4,545	4,545	69,776
Light and heat	-	18,028	18,028	22,311
Rates and water	-	23,946	23,946	4,923
Repairs and maintenance	10,579	20,781	31,360	117,070
Administration	-	8,305	8,305	7,796
Functions expenditure	-	1,698	1,698	10,787
Project LLH450 (net of capitalised costs of £61,900)	560,739	-	560,739	-
	572,318	150,155	722,473	375,803

Analysis by fund

Unrestricted funds	150,155	196,057
Restricted funds	572,318	179,746
	722,473	375,803

7 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the Hospital during the year.

8 Governance costs

	£ 2022	£ 2021
Independent Examination fee & Accountancy fees	5,432	9,736
Audit fees	7,000	-
	12,432	9,736

The expenditure for governance costs was £12,432 (2021: £9,736) which was all unrestricted.

DocuSign Envelope ID: 224FA1A4-010D-44DB-9407-C9D1773DC773

9 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Administration	3	3
Other	4	4
Total	7	7

Employment costs	2022 £	2021 £
Wages and salaries	62,642	109,846
Social security costs	1,279	3,424
Other pension costs	900	2,065
	64,821	115,335

There is £27,300 of employments cost is the LLH 450 project.

Government grants income in 2021 of £50,464 (note 3) includes furlough income claimed of £28,192 through the Coronavirus Job Retention Scheme.

There were no employees whose annual remuneration was £60,000 or more.

10 Tangible fixed assets

	Freehold land and buildings £	Plant and equipment £	Fixtures and fittings £	Computers £	Total £
Cost					
At 1 January 2022	125,027	48,709	22,738	5,924	202,398
Additions	61,900	-	-	1,032	70,132
At 31 December 2022	186,927	48,709	22,738	6,956	265,330
Depreciation and impairment					
At 1 January 2022	-	48,709	17,699	4,939	71,347
Depreciation charged in the year	-	-	2,273	397	2,670
At 31 December 2022	-	48,709	19,972	5,336	74,017
Carrying amount					
At 31 December 2022	186,927	-	2,766	1,620	191,913
At 31 December 2021	125,027	-	5,039	985	131,051

The £61,900 is the capitalized element of the LLH 450 project. The project was still work in progress at 31st December 2022, so there is no depreciation in 2022.

DocuSign Envelope ID: 224FA1A4-010D-44DB-9407-C9D1773DC773

11 Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 January 2022	488,671
Converted to current cash	(488,671)
At 31 December 2022	-
Carrying amount	
At 31 December 2022	-
At 31 December 2021	488,671

12 Stocks

	2022 £	2021 £
Finished goods and goods for resale	25,861	25,135

13 Debtors

Amounts falling due within one year:	2022 £	2021 £
Trade debtors	24	1,730
Other debtors	13,492	2,370
Accrued Income	143,493	-
	157,010	4,100

14 Creditors: amounts falling due within one year

	2022 £	2021
Other taxation and social security	2,208	189
Trade creditors	66,143	17,848
Other creditors	-	1,010
Accruals and deferred income	101,762	4,027
Armshouse Association Loan	5,250	-
	175,363	23,074

15 Creditors: amounts falling due after one year

	2022 £	2021 £
Armshouse Association Loan	47,250	-

16 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds				
	Balance at 1 January 2021	Incoming resources	Resources expended	Balance at 1 January 2022	Incoming resources	Resources expended	Transfers	Balance at 31 December 2022
	£	£	£	£	£	£	£	£
Capital campaign/LLH 450 Project	153,135	294,937	(92,692)	355,380	1,012,916	(560,739)	(61,900)	745,657
Almshouses	-	-	-	-	10,579	(10,579)	-	-
ABF	35,000	-	(35,000)	-	-	-	-	-
NLHF CRF 2020	27,354	4,000	(31,354)	-	-	-	-	-
Cottage Project	-	5,000	(5,000)	-	-	-	-	-
NLHF CRF 2021	-	14,700	(14,700)	-	-	-	-	-
Apprenticeship	-	1,000	(1,000)	-	1,000	(1,000)	-	-
	215,489	319,637	(179,746)	355,380	1,024,495	(572,318)	(61,900)	745,657

Capital campaign/LLH 450 Project - The charity is undertaking significant capital projects. Any restricted funds for capital projects are recorded within this category. The Transfer of £61,900 is the amount of the project that was capitalised

Almshouse - Any funds received with a restriction relating to the almshouses are included within this fund

ABF - The Army Benevolent Fund has provided a grant for use on specified capital projects of the charity

NLHF CRF 2020 - The National Lottery Heritage Fund provided the charity with further Covid resilience funds as a result of Covid 19

Cottage Project - Any funds received with a restriction relating to the cottages on Brook Street.

NLHF CRF 2021 - The National Lottery Heritage Fund provided the charity with further Covid resilience funds as a result of Covid 19

Apprenticeship - Any funds received with a restriction relating to the apprenticeships.

DocuSign Envelope ID: 224FA1A4-010D-44DB-9407-C9D1773DC773

DocuSign Envelope ID: 224FA1A4-010D-44DB-9407-C9D1773DC773

17 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 January 2021	Transfers	Revaluations, gains and losses	Balance at 31 December 2021
	£	£	£	£
Extraordinary repairs reserves	350,000	-	-	350,000
Tangible fixed asset fund	133,654	(2,603)	-	131,051
Operating deficit fund	174,944	23,810	-	198,754
	658,598	21,207	-	679,805

	Balance at 1 January 2022	Transfers	Revaluations, gains and losses	Balance at 31 December 2022
	£	£	£	£
Extraordinary repairs reserves	350,000	-	-	350,000
Tangible fixed asset fund	131,051	60,262	-	191,313
Operating deficit fund	198,754	(72,151)	-	126,603
	679,805	(11,889)	-	667,916

DocuSign Envelope ID: 224FA1A4-010D-44DB-9407-C9D1773DC773

18 Analysis of net assets between funds

	Unrestricted funds 2022	Designated funds 2022	Restricted funds 2022	Total 2022
	£	£	£	£
Fund balances at 31 December 2022 are represented by:				
Tangible assets	-	191,313	-	191,313
Investments	-	-	-	-
Current assets/(liabilities)	-	476,604	745,657	1,222,260
	-	667,916	745,657	1,413,573

	Unrestricted funds 2021	Designated funds 2021	Restricted funds 2021	Total 2021
	£	£	£	£
Fund balances at 31 December 2021 are represented by:				
Tangible assets	-	131,051	-	131,051
Investments	-	488,671	-	488,671
Current assets/(liabilities)	3,662	60,083	355,380	419,125
	3,662	679,805	355,380	1,038,847

19 Related party transactions

M.G. Sewell is employed as an Investment Manager with Smith & Williamson Investment Management LLP and some of the Hospital's investments were held in the custody of Smith & Williamson on an execution only basis. Currently there are just small cash holdings.

LORD LEYCESTER'S HOSPITAL

England & Wales - Charity number 216831

Accounts

Charity Registration No. 216831

LORD LEYCESTER'S HOSPITAL

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

LORD LEYCESTER'S HOSPITAL

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	The Rt Hon The Viscount De L'Isle C.V.O M.B.E - Patron Mr T Cox H.M Lord Lieutenant Mr J Chambers Mr M Sewell Dr The Hon P Sidney Mrs C Cross Cllr L Butler
Charity number	216831
Principal address	Lord Leycester's Hospital 60 High Street Warwick CV34 4BH
Bankers	Lloyds TSB Group PLC 12 Swan St Warwick CV34 4BJ
Solicitors	Blythe Liggins Edmund House Rugby Road Leamington Spa CV32 6EL Wright Hassall LLP Olympus Ave Royal Leamington Spa Warwick CV34 6BF
Investment managers	Smith & Williamson Investment Services Limited 25 Moorgate London EC2R 6AY
Accountants	Ellacotts LLP Countrywide House 23 West Bar Banbury OX16 9SA
The Master	Dr H Meyer
Clerk to the governors	Mr J. Wassall

LORD LEYCESTER'S HOSPITAL

CONTENTS

	Page
Trustees report	1 - 4
Statement of Trustees responsibilities	5
Independent examiner's report	6
Statement of financial activities	7 - 8
Balance sheet	9
Notes to the financial statements	10 - 20

LORD LEYCESTER'S HOSPITAL

TRUSTEES REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

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

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Charities Act 2011 and “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)” (as amended for accounting periods commencing from 1 January 2019).

The Trustees of Lord Leycester's Hospital are also the Governors of the charity.

REFERENCE AND ADMINISTRATIVE DETAILS

Lord Leycester’s Hospital’s charity number, principal office, its list of Trustees and all its key advisors are set out on legal and administrative information page at the front of these Financial Statements.

The board of Trustees have delegated the day-to-day activities of the charity to the Master.

OBJECTIVES AND ACTIVITIES

The Charity provides almshouse accommodation at High Street, Warwick for poor and deserving ex-servicemen and their wives who have served in the armed forces of the crown being men of the particular classes hereinafter specified in order of preference, that is to say:-

FIRST those men who were disabled during their service and who have resided for at least four years preferably in the Borough of Warwick, the Parish of Kenilworth or the Borough of Stratford upon Avon, all in the County of Warwick, or in the Parish of Wootton under Edge or the Parish of Arlingham, both in the county of Gloucester, but subject thereto anywhere in the County of Warwick;

SECONDLY those men who were not disabled during their service but who have resided as above mentioned;

THIRDLY those men who were not disabled during their service but who have not resided as above mentioned.

To achieve these objectives the Charity has to maintain the historic medieval property. It generates income from the property to maintain the property and to provide the almshouse accommodation.

The Charity is required to provide accommodation for the Master who is responsible for the government of the Brethren.

The Charity derives income from the admission of the general public to the historic buildings – which include the Guildhall, the Great Hall, St James's Chapel and the Brethren's Kitchen – and lettings for events.

The Charity also derives rental income from dwellings within the Hospital's buildings.

In addition, the Charity seeks regular financial support from Service Charities, Charitable Trusts and other benefactors.

We aim to recruit volunteers from our local community as a way of augmenting costs and to involve the community in a meaningful way in our charity. During 2021 we had an average of 22 volunteers on a monthly basis but this number will increase many fold post our Heritage Lottery project.

To protect the long-term security of the Hospital the Trustees have applied to the National Lottery Heritage Fund to support a major project to protect the buildings and to improve and expand the visitor experience, with the view to making the Hospital financially self-sustaining in future.

Public benefit

The Governors have had regard to guidance published by the Charity Commissioners on public benefit. Public benefit is achieved through the provision of homes for retired ex-servicemen and their wives, and the maintenance of the ancient buildings of the Hospital that form part of the nation's heritage, for educational, recreational, and other community activities.

ACHIEVEMENTS AND PERFORMANCE

Charitable activities

The Trustees have succeeded in providing homes for ex-servicemen and their wives in accordance with the Charity's objectives, plus a Helmand veteran who received life-changing injuries and now resides amongst the Brethren at the Lord Leycester Hospital.

National Lottery Heritage Fund (NLHF)

In a major effort to achieve financial self-sustainability through repair, conservation and improved visitor experience, a decision was taken by the Governors in 2019 to apply for a national level NLHF grant and to launch a campaign to raise partner funds. The Round 2 NLHF application, proposing a restoration and improvement project, was submitted in June 2021. In September 2021 the Governors were notified by NLHF that the application had been successful.

The cost of the full project is now budgeted to be close to £3.6 million. In addition to NLHF funding of £2m, and the Hospital’s own financial contribution from its reserves of £350k, the fundraising campaign has secured commitments for the remaining £1.24m.

Sign off from NLHF to proceed was received in November 2021. Following this a full tendering process was undertaken for the building element. Contracts were placed in July 2022 and work started in August 2022. This is expected to take around 10 months, with a planned reopening to the public in June 2023.

Fundraising will continue during 2022 and into 2023.

FINANCIAL REVIEW

Results for the year

During the year total income amounted to £550,299 (2020: £541,202). As a result of Covid lockdown restrictions easing, income from trading activities has recovered well, increasing to £123,729 from £48,322 in 2020. Donations and grants decreased from £472,139 in 2020 to £404,164. Of this £69,164 was Covid support from Government schemes and the National Lottery (2020: £130,501). The main element of £294,937 was the Capital Campaign, which included £51,348 Round 1 funding from NLHF and £243,589 from other grants and donations.

Expenditure on charitable activities decreased to £375,803 (2020: £403,492). Other expenditure rose from £8,397 in 2020 to £9,736 in 2021.

The Charity made a surplus of £164,760 (2020: £129,313). Revaluation losses on investments amounted to £Nil (2020: losses on investments £66,434).

Reserves Policy

In addition to any specific Restricted Funds certain Funds are designated by the Governors to represent amounts set aside to specifically support the future activities of the Hospital. The Charity is also required by its Scheme to maintain an Extraordinary Repairs Reserve. Having had its quinquennial property review in 2015 the Governors have agreed to retain a balance of £350,000 to deal with priority repairs required. The amount in this designated reserve is to be used as the Charity's contribution to the NLHF project.

It is the policy of the Charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The Trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

The Operating Deficit Fund of £196,151 is funds set aside to cover the the loss of income whilst the NLHF project work is undertaken.

The General Reserve Fund represents any unrestricted funds that have not been designated and is readily available funds for the activities of the Charity. This currently stands at nil, as all funds are restricted or designated.

Investments and Investment policy

The funds held in investments have been held as cash deposits since 2020. The cash is required to fund the Hospital's own contribution to the NHLF project and to support the Hospital during the period the works are to be done, when there will be minimal income.

PLANS FOR THE FUTURE

During the period of works for the NLHF project the Hospital will continue to provide a home for the Brethren, but will be closed to museum visitors and for venue hire.

The NLHF project should help to ensure the Hospital's future self sufficiency. In addition to building repairs, the capital works are designed to improve access for the disabled and to improve the visitor experience, by enhancing the museum and heritage element.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Charity is a company limited by guarantee and is constituted by a scheme dated 23 May 1972 laid down by An Act of Parliament and is registered with the Charity Commissioners (No. 216831).

The Viscount De L'Isle, as direct descendant of the Founder's Heir-at-Law, is Hereditary Patron of the Hospital and Chairman of Governors. Her Majesty's Lord Lieutenant for the County of Warwickshire is a Governor and will change as does the incumbent of that appointment. One Governor is appointed by the Warwick Town Council on the basis of a three year incumbency. Other Governors are recruited as necessary to ensure that a good range of experience, influence and expertise is brought to bear in furthering the aims and objectives of the Charity.

Induction and continuation training is undertaken as judged necessary by the Governors in accordance with Standards of Almshouse Management promulgated by the Almshouse Association.

The Trustees who served during the year and up to the date of signature of the financial statements were:

The Rt Hon The Viscount De L'Isle C.V.O M.B.E - Patron
Mr T Cox H.M Lord Lieutenant
Mr J Chambers
Mr M Sewell
Dr The Hon P Sidney
Mrs C Cross
Cllr L Butler

The charity's long term objectives are driven by the board of trustees who meet twice a year to discuss the matters of the charity, with additional meetings as required.

The board of trustees have delegated the day to day activities of the charity to the Master.

Risk management

The board of trustees have considered the risks to which the Charity is exposed, and have established systems for mitigating those risks. Strategic and shorter range plans are reviewed regularly. Internal risks are minimised by implementing procedures for authorising transactions and by ensuring consistent quality of delivery for all operational aspects of the Charity. The board of trustees review these procedures periodically.

Covid 19

Covid 19 lockdowns resulted in 20 weeks closure from January to mid-May. This compares to 23 weeks closure in 2020 (end of March to mid-July, then mid-November to the end of the year).

During periods of lockdown there was no visitor income or hall letting. However, when open in 2021 visitor income and hire significantly exceeded 2020; 80% and 260% respectively.

As the Hospital closed at the end of 2021 in preparation for the project work through to 2023 the Trustees consider that Covid 19 will not impact on the Charity as a going concern.

The Trustees report was approved by the Board of Trustees.

.....

The Rt Hon The Viscount De L'Isle C.V.O M.B.E - Patron
Trustee
Dated: 16.10.22

.....

Mr J Chambers
Trustee
Dated: 23-10-22

LORD LEYCESTER'S HOSPITAL

STATEMENT OF TRUSTEES RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2021

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 and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity for that year.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;

- observe the methods and principles in the Charities SORP;

- make judgements and estimates that are reasonable and prudent;

- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

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

The Trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Act of Parliament. 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.

LORD LEYCESTER'S HOSPITAL

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF LORD LEYCESTER'S HOSPITAL

I report to the Trustees on my examination of financial statements of Lord Leycester's Hospital (the Charity) for the year ended 31 December 2021.

Responsibilities and basis of report

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

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

Independent examiner's statement

Since the Charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the ICAEW, which is one of the listed bodies.

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 Act; or

2 the financial statements do not accord with those records; or

3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

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

Charlotte Toemaes

Charlotte Toemaes BSc FCA
for and on behalf of Ellacotts LLP
Chartered Accountants
Countrywide House
23 West Bar
Banbury
Oxfordshire
England
OX16 9SA

Dated: 31/10/22

LORD LEYCESTER'S HOSPITAL

STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2021

Current financial year

	Notes	Unrestricted funds	Designated funds	Restricted funds	Total	Total
		2021	2021	2021	2021	2020
		£	£	£	£	£
Income from:						
Donations and legacies	**3**	84,527	-	319,637	404,164	472,139
Charitable activities	**2**	22,378	-	-	22,378	14,051
Other trading activities	**4**	123,729	-	-	123,729	48,322
Investments	**5**	28	-	-	28	6,690
Total income		230,662	-	319,637	550,299	541,202
Expenditure on:						
Charitable activities	**6**	196,057	-	179,746	375,803	403,492
Governance costs	**8**	9,736	-	-	9,736	8,397
Total resources expended		205,793	-	179,746	385,539	411,889
Net incoming resources before transfers		24,869	-	139,891	164,760	129,313
Gross transfers between funds		(21,207)	21,207	-	-	-
Net incoming resources		3,662	21,207	139,891	164,760	129,313
Other recognised gains and losses						
Revaluation of tangible fixed assets		-	-	-	-	(66,434)
Net movement in funds		3,662	21,207	139,891	164,760	62,879
Fund balances at 1 January 2021		-	658,598	215,489	874,087	811,208
Fund balances at 31 December 2021		3,662	679,805	355,380	1,038,847	874,087

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

All income and expenditure derive from continuing activities.

LORD LEYCESTER'S HOSPITAL

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2021

Prior financial year

	Notes	Unrestricted funds 2020 £	Designated funds 2020 £	Restricted funds 2020 £	Total 2020 £
Income from:					
Donations and legacies	**3**	90,198	-	381,941	472,139
Charitable activities	**2**	14,051	-	-	14,051
Other trading activities	**4**	48,322	-	-	48,322
Investments	**5**	6,690	-	-	6,690
Total income		159,261	-	381,941	541,202
Expenditure on:					
Charitable activities	**6**	168,949	-	234,543	403,492
Governance costs	**8**	2,366	-	6,031	8,397
Total resources expended		171,315	-	240,574	411,889
Net incoming resources before transfers		(12,054)	-	141,367	129,313
Gross transfers between funds		12,054	(12,054)	-	-
Net incoming resources		-	(12,054)	141,367	129,313
Other recognised gains and losses					
Revaluation of tangible fixed assets		-	(66,434)	-	(66,434)
Net movement in funds		-	(78,488)	141,367	62,879
Fund balances at 1 January 2020		-	737,086	74,122	811,208
Fund balances at 31 December 2020		-	658,598	215,489	874,087

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

All income and expenditure derive from continuing activities.

LORD LEYCESTER'S HOSPITAL

BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Tangible assets	**10**		131,051		133,654
Investments	**11**		488,671		488,671
			619,722		622,325
Current assets					
Stocks	**12**	25,135		7,622	
Debtors	**13**	4,100		13,601	
Cash at bank and in hand		412,964		265,307	
		442,199		286,530	
Creditors: amounts falling due within one year	**14**	(23,074)		(34,768)	
Net current assets			419,125		251,762
Total assets less current liabilities			1,038,847		874,087
Income funds					
Restricted funds	**15**		355,380		215,489
Unrestcited Funds					
Designated funds		679,805		725,032	
Revaluation reserve		-		(66,434)	
Unrestricted Funds		3,662		-	
			683,467		658,598
			1,038,847		874,087

The financial statements were approved by the Trustees on 31/10/2022

The Rt Hon The Viscount De L'Isle C.V.O M.B.E - Patron
Trustee

Mr J Chambers
Trustee

1 Accounting policies

Charity information

Lord Leycester's Hospital is a charity registered with the Charity Commission (Charity No. 216831). The principal address is 60 High Street, Warwick, CV34 4BH.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011 and "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)" (as amended for accounting periods commencing from 1 January 2019). The Charity is a Public Benefit Entity as defined by FRS 102.

The Charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes.

The current designations are:

Tangible Fixed Asset Fund

This represents the net book value of improvements made to the Hospital since 1960 and other tangible assets.

Extraordinary Repairs Reserve

This represents funds set aside to cover major renovations or repair work on the Hospital's historic buildings and provide Almshouse accommodation in order to meet the main obligation of the Hospital, in accordance with the charity's scheme.

Operating Deficit Fund

This represents the reserves set aside to cover future estimated operating shortfalls in the short term.

1.4 Income

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

1 Accounting policies **(Continued)**

Cash donations are recognised on receipt. Other donations are recognised once the Charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the Charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1.5 Expenditure

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	Not depreciated
Plant and equipment	10% on cost
Fixtures and fittings	10% on cost
Computers	25% on reducing balance

Freehold land and buildings are not depreciated due to the fact that they are maintained in such a manner that their residual value is at least equal to the current net book value as stated within the charity's accounts.

Lord Leycester's Hospital was constructed in the late fourteenth, early fifteenth century and there is no record of the original cost and no value is attributed thereto. A number of the Charity's assets would qualify as 'Heritage' assets in line with section 18 of the Charities 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 2015) due to the fact that they are held primarily for their historical and artistic importance being contributory to knowledge and culture.

Heritage assets are recognised on the balance sheet at their cost or valuation, unless information on their cost or valuation is not available and such information cannot be obtained at a cost commensurate with the benefit to the users of the accounts and to the charity.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Impairment of fixed assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1 Accounting policies **(Continued)**

1.9 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.11 Financial instruments

The Charity has elected to apply the provisions of Section 11 ‘Basic Financial Instruments’ and Section 12 ‘Other Financial Instruments Issues’ of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Charity’s contractual obligations expire or are discharged or cancelled.

1 Accounting policies **(Continued)**

1.12 Taxation

The charity is exempt from tax on its charitable activities.

Lord Leycester's Hospital was not registered for Value Added Tax during the year. In these financial statements, where applicable, expenditure is shown inclusive of VAT.

1.13 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.14 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Charitable activities

	2021	2020
	£	£
Maintenance contributions from residents	22,378	14,051

The income received from charitable activities was £22,378 (2020: £14,051) which was all unrestricted.

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Total
	2021	2021	2021	2020
	£	£	£	£
Donations and gifts	34,063	319,637	353,700	413,638
Government grants	50,464	-	50,464	58,501
	84,527	319,637	404,164	472,139
For the year ended 31 December 2020	46,535	381,941		472,139

4 Other trading activities

	2021	2020
	£	£
Income from visitors	61,532	34,200
Hall and equipment hire	39,025	10,729
Commission	529	341
Functions income	5,643	2,302
Filming income	17,000	750
	123,729	48,322

The income from other trading activities was £123,729 (2020: £48,322) which was all unrestricted.

5 Investments

	2021	2020
	£	£
Investment income	-	6,648
Interest receivable	28	42
	28	6,690

6 Charitable activities

	2021	2020
	£	£
Staff costs	115,335	109,676
Services	27,805	36,300
Management	69,776	101,610
Light and heat	22,311	4,517
Rates and water	4,923	3,933
Repairs and maintenance	117,070	81,944
Administration	7,796	58,428
Functions expenditure	10,787	7,084
	375,803	403,492
Analysis by fund		
Unrestricted funds	196,057	168,949
Restricted funds	179,746	234,543
	375,803	403,492

7 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the Hospital during the year.

8 Governance costs

	Unrestricted funds	Restricted funds	Total
			£
	2021	2020	2020
Independent Examination fee	9,736	-	2,100
Accountancy fees	-	6,031	6,297
	9,736	6,031	8,397

The expenditure for governance costs was £9,736 (2020: £6,031) which was all unrestricted.

9 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Administration	3	3
Other	4	4
Total	7	7

Employment costs	2021 £	2020 £
Wages and salaries	109,846	105,083
Social security costs	3,424	2,689
Other pension costs	2,065	1,904
	115,335	109,676

Government grants income of £50,464 (note 3) includes furlough income claimed of £28,192 through the Coronavirus Job Retention Scheme.

There were no employees whose annual remuneration was £60,000 or more.

10 Tangible fixed assets

	Freehold land and buildings	Plant and equipment	Fixtures and fittings	Computers	Total
	£	£	£	£	£
Cost					
At 1 January 2021	125,027	48,709	22,738	5,924	202,398
At 31 December 2021	125,027	48,709	22,738	5,924	202,398
Depreciation and impairment					
At 1 January 2021	-	48,709	15,425	4,610	68,744
Depreciation charged in the year	-	-	2,274	329	2,603
At 31 December 2021	-	48,709	17,699	4,939	71,347
Carrying amount					
At 31 December 2021	125,027	-	5,039	985	131,051
At 31 December 2020	125,027	-	7,313	1,314	133,654

11 Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 January 2021 & 31 December 2021	488,671
Carrying amount	
At 31 December 2021	488,671
At 31 December 2020	488,671

12 Stocks

	2021 £	2020 £
Finished goods and goods for resale	25,135	7,622

13 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	1,730	-
Other debtors	2,370	13,601
	4,100	13,601

14 Creditors: amounts falling due within one year

	2021 £	2020 £
Other taxation and social security	189	1,725
Trade creditors	17,848	24,691
Other creditors	1,010	492
Accruals and deferred income	4,027	7,860
	23,074	34,768

15 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

		Movement in funds			Movement in funds		
	Balance at 1 January 2020	Incoming resources	Resources expended	Balance at 1 January 2021	Incoming resources	Resources expended	Balance at 31 December 2021
	£	£	£	£	£	£	£
Capital campaign	72,762	274,941	(194,568)	153,135	294,937	(92,692)	355,380
Garden	1,360	-	(1,360)	-	-	-	-
ABF	-	35,000	-	35,000	-	(35,000)	-
NLHF EF	-	36,000	(36,000)	-	-	-	-
NLHF CRF 2020	-	36,000	(8,646)	27,354	4,000	(31,354)	-
Cottage Project	-	-	-	-	5,000	(5,000)	-
NLHF CRF 2021	-	-	-	-	14,700	(14,700)	-
Apprenticeship	-	-	-	-	1,000	(1,000)	-
	74,122	381,941	(240,574)	215,489	319,637	(179,746)	355,380

Capital campaign - The charity is undertaking significant capital projects. Any restricted funds for capital projects are recorded within this category

Garden - Any funds received with a restriction relating to the ground's garden are included within this fund

ABF - The Army Benevolent Fund has provided a grant for use on specified capital projects of the charity

NLHF EF - The National Lottery Heritage Fund provided the charity with emergency resilience funds as a result of Covid 19

NLHF CRF 2020 - The National Lottery Heritage Fund provided the charity with further Covid resilience funds as a result of Covid 19

Cottage Project - Any funds received with a restriction relating to the cottages on Brook Street

NLHF CRF 2021 - The National lottery Heritage Fund provided the charity with further Covid resilience funds as a result of Covid 19

Apprenticeship - Any funds received with a restriction relating to the apprenticeships

16 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 January 2020	Transfers	Revaluations, gains and losses	Balance at 31 December 2020
	£	£	£	£
Extraordinary repairs reserves	350,000	-	-	350,000
Tangible fixed asset fund	136,366	(2,712)	-	133,654
Operating deficit fund	234,393	6,985	(66,434)	174,944
Capital campaign	16,327	(16,327)	-	-
	737,086	(12,054)	(66,434)	658,598

	Balance at 1 January 2021	Transfers	Revaluations, gains and losses	Balance at 31 December 2021
	£	£	£	£
Extraordinary repairs reserves	350,000	-	-	350,000
Tangible fixed asset fund	133,654	-	-	133,654
Operating deficit fund	174,944	21,207	-	196,151
	658,598	21,207	-	679,805

17 Analysis of net assets between funds

	Unrestricted funds 2021 £	Designated funds 2021 £	Restricted funds 2021 £	Total 2021 £
Fund balances at 31 December 2021 are represented by:				
Tangible assets	-	131,051	-	131,051
Investments	-	488,671	-	488,671
Current assets/(liabilities)	3,662	60,083	355,380	419,125
	3,662	679,805	355,380	1,038,847

	Unrestricted funds 2020 £	Designated funds 2020 £	Restricted funds 2020 £	Total 2020 £
Fund balances at 31 December 2020 are represented by:				
Tangible assets	-	133,654	-	133,654
Investments	-	488,671	-	488,671
Current assets/(liabilities)	-	36,273	215,489	251,762
	-	658,598	215,489	874,087

18 Related party transactions

M.G. Sewell is employed as an Investment Manager with Smith & Williamson Investment Management LLP and some of the Hospital's investments are held in the custody of Smith & Williamson on an execution only basis. Smith & Williamson Investment Management LLP fees of £1,555 (2019: £1,506) are included in administration expenses.

LORD LEYCESTER'S HOSPITAL

England & Wales - Charity number 216831

Accounts

Charity Registration No. 216831

LORD LEYCESTER'S HOSPITAL

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

LORD LEYCESTER'S HOSPITAL

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	The Rt Hon The Viscount De L'Isle C.V.O M.B.E - Patron Mr T Cox H.M Lord Lieutenant Mr J Chambers Mr M Sewell Dr The Hon P Sidney Mrs C Cross Cllr L Butler
Charity number	216831
Principal address	Lord Leycester's Hospital 60 High Street Warwick CV34 4BH
Bankers	Lloyds TSB Group PLC 12 Swan St Warwick CV34 4BJ
Solicitors	Blythe Liggins Edmund House Rugby Road Leamington Spa CV32 6EL Wright Hassall LLP Olympus Ave Royal Leamington Spa Warwick CV34 6BF
Investment managers	Smith & Williamson Investment Services Limited 25 Moorgate London EC2R 6AY
Accountants	Ellacotts LLP Countrywide House 23 West Bar Banbury OX16 9SA
The Master	Dr H Meyer
Clerk to the governors	Mr J. Wassall

LORD LEYCESTER'S HOSPITAL

CONTENTS

	Page
Trustees report	1 - 4
Independent examiner's report	6
Statement of financial activities	7 - 8
Balance sheet	9
Notes to the financial statements	10 - 20

LORD LEYCESTER'S HOSPITAL

TRUSTEES REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

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

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Charities Act 2011 and "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)" (as amended for accounting periods commencing from 1 January 2019).

The Trustees of Lord Leycester's Hospital are also the Governors of the charity.

REFERENCE AND ADMINISTRATIVE DETAILS

Lord Leycester's Hospital's charity number, principal office, its list of Trustees and all its key advisors are set out on legal and administrative information page at the front of these Financial Statements.

The board of Trustees have delegated the day-to-day activities of the charity to the Master.

OBJECTIVES AND ACTIVITIES

The Charity provides almshouse accommodation at High Street, Warwick for poor and deserving ex-servicemen and their wives who have served in the armed forces of the crown being men of the particular classes hereinafter specified in order of preference, that is to say:-

FIRST those men who were disabled during their service and who have resided for at least four years preferably in the Borough of Warwick, the Parish of Kenilworth or the Borough of Stratford upon Avon, all in the County of Warwick, or in the Parish of Wootton under Edge or the Parish of Arlingham, both in the county of Gloucester, but subject thereto anywhere in the County of Warwick;

SECONDLY those men who were not disabled during their service but who have resided as above mentioned;

THIRDLY those men who were not disabled during their service but who have not resided as above mentioned.

To achieve these objectives the Charity has to maintain the historic medieval property. It generates income from the property to maintain the property and to provide the almshouse accommodation.

The Charity is required to provide accommodation for the Master who is responsible for the government of the Brethren.

The Charity derives income from the admission of the general public to the historic buildings – which include the Guildhall, the Great Hall, St James's Chapel and the Brethren's Kitchen – and lettings for events.

The Charity also derives rental income from dwellings within the Hospital's buildings.

In addition, the Charity seeks regular financial support from Service Charities, Charitable Trusts and other benefactors.

We aim to recruit volunteers from our local community as a way of augmenting costs and to involve the community in a meaningful way in our charity. We currently have an average of 6 volunteers on a monthly basis but this number will increase many fold post our Heritage Lottery project.

To protect the long-term security of the Hospital the Trustees have applied to the National Lottery Heritage Fund to support a major project to protect the buildings and to improve and expand the visitor experience, with the view to making the Hospital financially self-sustaining in future.

Public benefit

The Governors have had regard to guidance published by the Charity Commissioners on public benefit. Public benefit is achieved through the provision of homes for retired ex-servicemen and their wives, and the maintenance of the ancient buildings of the Hospital that form part of the nation's heritage, for educational, recreational, and other community activities.

ACHIEVEMENTS AND PERFORMANCE

Charitable activities

The Trustees have succeeded in providing homes for ex-servicemen and their wives in accordance with the Charity's objectives, plus a Helmand veteran who received life-changing injuries and now resides amongst the Brethren at the Lord Leycester Hospital.

National Lottery Heritage Fund (NLHF)

In a major effort to achieve financial self-sustainability through repair, conservation and improved visitor experience, a decision was taken by the Governors to apply for a national level NLHF grant and to launch a campaign to raise partner funds. In June 2019 a Round 1 NLHF grant was secured, which funded the majority of the development costs of a full proposal for a restoration and improvement project over five years. The work for this was completed during 2020 and early 2021 and submitted in June 2021. In September 2021 the Governors were notified by NLHF that the application had been successful.

The cost of the full project is budgeted to be close to £3.8 million. In addition to NLHF funding, the Hospital's own financial contribution from its reserves and volunteer support it is anticipated that the fundraising campaign will need to exceed £1.3m. By the end of 2020, in addition to the £350k of reserves set aside in the Extraordinary Reserve Fund there was £153k of Capital Campaign reserves already received.

By the end of September 2021, the Hospital's own reserves, the Capital Campaign fundraising received and commitments given totalled £1m. Fundraising will continue into 2022.

The next stage is for the project is to get the sign off from NLHF to proceed. Contracts will need to be placed and once finalised the Hospital will see a major development programme, during which it will close to the public. This will start in late 2021 or early 2022 and take around 15 months.

FINANCIAL REVIEW

Results for the year

During the year total income amounted to £541,202 (2019: £346,658). There were significant changes in the sources of income. Due to Covid lockdowns income from trading activities fell from £216,613 in 2019 to £48,322. Donations and grants increased from £104,442 in 2019 to £472,139. Of this £130,501 was Covid support from Government schemes and the National Lottery. The main element of £274,941 was the Capital Campaign, which included £155,441 Round 1 funding from NLHF and £119,500 from other grants and donations.

Expenditure on charitable activities of £403,492 (2019: 287,831) increased £115,661 year-on-year. £193,524 was spend on progressing the NLHF bid. 73% of this is funded by the NLHF Round 1 grant, with the remainder from the Hospital's own funds. Other expenditure fell £77,863 year-on-year in order to minimise expenditure during Covid lockdowns.

The Charity made a surplus of £129,313 (2019: £52,040). Revaluation losses on investments amounted to £66,434 (2019: gains on investments £52,295).

Reserves Policy

In addition to any specific Restricted Funds certain Funds are designated by the Governors to represent amounts set aside to specifically support the future activities of the Hospital. The Charity is also required by its Scheme to maintain an Extraordinary Repairs Reserve. Having had its quinquennial property review in 2015 the Governors have agreed to retain a balance of £350,000 to deal with priority repairs required. The amount in this designated reserve is to be used as the Charity's contribution to the NLHF project.

It is the policy of the Charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The Trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

The Operating Deficit Fund of £174,944 is funds set aside to cover the the loss of income whilst the NLHF project work is undertaken.

The General Reserve Fund represents any unrestricted funds that have not been designated and is readily available funds for the activities of the Charity. This currently stands at nil, as all funds are restricted or designated.

Investments and Investment policy

The funds held in investments at the start of the year were expected to be required to fund the Hospital's own contribution to the NHLF project and to support the Hospital during the period the works were to be done, when there will be minimal income. During the year, after the start of Covid, the Trustees decided to sell all investments to ensure that the funds were available. These are now held as cash deposits.

PLANS FOR THE FUTURE

Following the successful NLHF bid, it is expected that the project will commence in late December or early January. During the period of works, which is expected to take around 15 months, the Hospital will continue to provide a home for the Brethren, but it will close to Heritage visitors and for venue hire.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Charity is a company limited by guarantee and is constituted by a scheme dated 23 May 1972 laid down by An Act of Parliament and is registered with the Charity Commissioners (No. 216831).

The Viscount De L'Isle, as direct descendant of the Founder's Heir-at-Law, is Hereditary Patron of the Hospital and Chairman of Governors. Her Majesty's Lord Lieutenant for the County of Warwickshire is a Governor and will change as does the incumbent of that appointment. One Governor is appointed by the Warwick Town Council on the basis of a three year incumbency. Other Governors are recruited as necessary to ensure that a good range of experience, influence and expertise is brought to bear in furthering the aims and objectives of the Charity.

Induction and continuation training is undertaken as judged necessary by the Governors in accordance with Standards of Almshouse Management promulgated by the Almshouse Association.

The Trustees who served during the year and up to the date of signature of the financial statements were:

The Rt Hon The Viscount De L'Isle C.V.O M.B.E - Patron
Mr T Cox H.M Lord Lieutenant
Mr J Chambers
Mr M Sewell
Dr The Hon P Sidney
Mrs C Cross
Cllr L Butler

The charity's long term objectives are driven by the board of trustees who meet twice a year to discuss the matters of the charity, with additional meetings as required.

The board of trustees have delegated the day to day activities of the charity to the Master.

Risk management

The board of trustees have considered the risks to which the Charity is exposed, and have established systems for mitigating those risks. Strategic and shorter range plans are reviewed regularly. Internal risks are minimised by implementing procedures for authorising transactions and by ensuring consistent quality of delivery for all operational aspects of the Charity. The board of trustees review these procedures periodically.

Covid 19

Covid 19, which resulted in the lockdown from 23rd March 2020, had a significant impact on the activity during the year. The Hospital was closed to visitors and for room hire for 20 weeks in 2020; from mid-March to mid-May and early November through to the end of the year. This reduced income, but at the same time expenditure was reduced to the bare minimum.

The first 20 weeks of 2021 were also closed, but visitor income has recovered and year-on-year is ahead of comparable periods in 2020.

The ongoing impact of Covid is declining due to the benefits of vaccination. As the Hospital is expected to be closed except for the project work for much of the foreseeable future the Trustees consider that Covid 19, as a Post Balance Sheet Event, will not impact on the Charity as a going concern.

The Trustees report was approved by the Board of Trustees.

.....DeL'Isle.....

The Rt Hon The Viscount De L'Isle C.V.O M.B.E - Patron
Trustee
Dated: 19 Oct 21

.....J G Chambers.....

Mr J Chambers
Trustee
Dated: 19 October 21

LORD LEYCESTER'S HOSPITAL

STATEMENT OF TRUSTEES RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2020

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 and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity for that year.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;

- observe the methods and principles in the Charities SORP;

- make judgements and estimates that are reasonable and prudent;

- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

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

The Trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Act of Parliament. 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.

LORD LEYCESTER'S HOSPITAL

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF LORD LEYCESTER'S HOSPITAL

I report to the Trustees on my examination of financial statements of Lord Leycester's Hospital (the Charity) for the year ended 31 December 2020.

Responsibilities and basis of report

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

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

Independent examiner's statement

Since the Charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the ICAEW, which is one of the listed bodies.

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

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

Charlotte Toemaes.

Charlotte Toemaes BSc FCA
for and on behalf of Ellacotts LLP
Chartered Accountants
Countrywide House
23 West Bar
Banbury
Oxfordshire
England
OX16 9SA

Dated: 26/10/21

LORD LEYCESTER'S HOSPITAL

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

Current financial year

	Notes	Unrestricted funds 2020 £	Designated funds 2020 £	Restricted funds 2020 £	Total 2020 £	Total 2019 £
Income from:						
Donations and legacies	**3**	90,198	-	381,941	472,139	104,442
Charitable activities	**2**	14,051	-	-	14,051	8,807
Other trading activities	**4**	48,322	-	-	48,322	216,613
Investments	**5**	6,690	-	-	6,690	16,796
Total income		159,261	-	381,941	541,202	346,658
Expenditure on:						
Charitable activities	**6**	168,949	-	234,543	403,492	287,831
Governance costs	**8**	2,366	-	6,031	8,397	6,787
Total resources expended		171,315	-	240,574	411,889	294,618
Net (outgoing)/incoming resources before transfers		(12,054)	-	141,367	129,313	52,040
Gross transfers between funds		12,054	(12,054)	-	-	-
Net incoming resources		-	(12,054)	141,367	129,313	52,040
Other recognised gains and losses						
Revaluation of tangible fixed assets		-	(66,434)	-	(66,434)	52,295
Net movement in funds		-	(78,488)	141,367	62,879	104,335
Fund balances at 1 January 2020		-	737,086	74,122	811,208	706,873
Fund balances at 31 December 2020		-	658,598	215,489	874,087	811,208

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

All income and expenditure derive from continuing activities.

LORD LEYCESTER'S HOSPITAL

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

Prior financial year

	Notes	Unrestricted funds 2019 £	Designated funds 2019 £	Restricted funds 2019 £	Total 2019 £
Income from:					
Donations and legacies	3	41,073	5,462	57,907	104,442
Charitable activities	2	8,807	-	-	8,807
Other trading activities	4	216,613	-	-	216,613
Investments	5	16,796	-	-	16,796
Total income		283,289	5,462	57,907	346,658
Expenditure on:					
Charitable activities	6	269,434	-	18,397	287,831
Governance costs	8	6,787	-	-	6,787
Total resources expended		276,221	-	18,397	294,618
Net (outgoing)/incoming resources before transfers		7,068	5,462	39,510	52,040
Gross transfers between funds		(7,068)	7,068	-	-
Net incoming resources		-	12,530	39,510	52,040
Other recognised gains and losses					
Revaluation of tangible fixed assets		-	52,295	-	52,295
Net movement in funds		-	64,825	39,510	104,335
Fund balances at 1 January 2019		-	672,261	34,612	706,873
Fund balances at 31 December 2019		-	737,086	74,122	811,208

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

All income and expenditure derive from continuing activities.

LORD LEYCESTER'S HOSPITAL

BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	2020 £	2019 £	2019 £
Fixed assets					
Tangible assets	10		133,654		136,366
Investments	11		488,671		574,611
			622,325		710,977
Current assets					
Stocks	12	7,622		7,374	
Debtors	13	13,601		7,119	
Cash at bank and in hand		265,307		107,305	
		286,530		121,798	
Creditors: amounts falling due within one year	14	(34,768)		(21,567)	
Net current assets			251,762		100,231
Total assets less current liabilities			874,087		811,208
Income funds					
Restricted funds	15		215,489		74,122
Endowment funds - Designated					
General fund		725,032		684,791	
Revaluation reserve		(66,434)		52,295	
			658,598		737,086
			874,087		811,208

The financial statements were approved by the Trustees on 19 oct 21

De L'Isle

.....

The Rt Hon The Viscount De L'Isle C.V.O M.B.E - Patron

Trustee

J G Chambers

.....

Mr J Chambers

Trustee

1 Accounting policies

Charity information

Lord Leycester's Hospital is a charity registered with the Charity Commission (Charity No. 216831). The principal address is 60 High Street, Warwick, CV34 4BH.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011 and "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)" (as amended for accounting periods commencing from 1 January 2019). The Charity is a Public Benefit Entity as defined by FRS 102.

The Charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes.

The current designations are:

Tangible Fixed Asset Fund
This represents the net book value of improvements made to the Hospital since 1960 and other tangible assets.

Extraordinary Repairs Reserve
This represents funds set aside to cover major renovations or repair work on the Hospital's historic buildings and provide Almshouse accommodation in order to meet the main obligation of the Hospital, in accordance with the charity's scheme.

Operating Deficit Fund
This represents the reserves set aside to cover future estimated operating shortfalls in the short term.

1 Accounting policies **(Continued)**

1.4 Income

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the Charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1.5 Expenditure

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	Not depreciated
Plant and equipment	10% on cost
Fixtures and fittings	10% on cost
Computers	25% on reducing balance

Freehold land and buildings are not depreciated due to the fact that they are maintained in such a manner that their residual value is at least equal to the current net book value as stated within the charity's accounts.

Lord Leycester's Hospital was constructed in the late fourteenth, early fifteenth century and there is no record of the original cost and no value is attributed thereto. A number of the Charity's assets would qualify as 'Heritage' assets in line with section 18 of the Charities 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 2015) due to the fact that they are held primarily for their historical and artistic importance being contributory to knowledge and culture.

Heritage assets are recognised on the balance sheet at their cost or valuation, unless information on their cost or valuation is not available and such information cannot be obtained at a cost commensurate with the benefit to the users of the accounts and to the charity.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1 Accounting policies **(Continued)**

1.8 Impairment of fixed assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.11 Financial instruments

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

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1 Accounting policies **(Continued)**

Derecognition of financial liabilities
Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

1.12 Taxation
The charity is exempt from tax on its charitable activities.

Lord Leycester's Hospital was not registered for Value Added Tax during the year. In these financial statements, where applicable, expenditure is shown inclusive of VAT.

1.13 Employee benefits
The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.14 Retirement benefits
Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Charitable activities

	2020	2019
	£	£
Maintenance contributions from residents	14,051	8,807

The income received from charitable activities was £14,051 (2019: £8,807) which was all unrestricted.

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Total
	2020	2020	2020	2019
	£	£	£	£
Donations and gifts	31,697	381,941	413,638	104,442
Government grants	58,501	-	58,501	-
	90,198	381,941	472,139	104,442
For the year ended 31 December 2019	46,535	57,907		104,442

4 Other trading activities

	2020	2019
	£	£
Income from visitors	34,200	79,772
Hall and equipment hire	10,729	86,273
Commission	341	2,221
Functions income	2,302	18,011
Filming income	750	30,336
	48,322	216,613

The income from other trading activities was £48,322 (2019: £216,613) which was all unrestricted.

5 Investments

	2020	2019
	£	£
Investment income	6,648	16,758
Interest receivable	42	38
	6,690	16,796

6 Charitable activities

	2020	2019
	£	£
Staff costs	109,676	80,340
Services	36,300	38,948
Management	101,610	5,707
Light and heat	4,517	3,974
Rates and water	3,933	4,861
Repairs and maintenance	81,944	90,601
Administration	58,428	40,607
Functions expenditure	7,084	22,793
	403,492	287,831
	403,492	287,831
Analysis by fund		
Unrestricted funds	168,949	269,434
Restricted funds	234,543	18,397
	403,492	287,831

7 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the Hospital during the year.

8 Governance costs

	Unrestricted funds	Restricted funds	Total	Total
			£	£
	2020	2020	2020	2019
Independent Examination fee	2,100	-	2,100	2,100
Accountancy fees	266	6,031	6,297	4,687
	2,366	6,031	8,397	6,787

The expenditure for governance costs was £2,366 (2019: £6,787) which was all unrestricted.

9 Employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
Administration	3	2
Other	4	3
Total	7	5

Employment costs	2020 £	2019 £
Wages and salaries	105,083	75,708
Social security costs	2,689	3,206
Other pension costs	1,904	1,426
	109,676	80,340

Government grants income of £58,501 (note 3) includes furlough income claimed of £33,501 through the Coronavirus Job Retention Scheme.

There were no employees whose annual remuneration was £60,000 or more.

10 Tangible fixed assets

	Freehold land and buildings	Plant and equipment	Fixtures and fittings	Computers	Total
	£	£	£	£	£
Cost					
At 1 January 2020	125,027	48,709	22,738	5,924	202,398
At 31 December 2020	125,027	48,709	22,738	5,924	202,398
Depreciation and impairment					
At 1 January 2020	-	48,709	13,151	4,172	66,032
Depreciation charged in the year	-	-	2,274	438	2,712
At 31 December 2020	-	48,709	15,425	4,610	68,744
Carrying amount					
At 31 December 2020	125,027	-	7,313	1,314	133,654
At 31 December 2019	125,027	-	9,587	1,752	136,366

11 Fixed asset investments

11 Fixed asset investments

(Continued)

	Listed investments £
Cost or valuation	
At 1 January 2020	574,611
Additions	368,455
Valuation changes	(66,434)
Investment income	6,648
Portfolio charges	(1,555)
Disposals	(393,054)
At 31 December 2020	488,671
Carrying amount	
At 31 December 2020	488,671
At 31 December 2019	574,611

12 Stocks

	2020 £	2019 £
Finished goods and goods for resale	7,622	7,374

13 Debtors

Amounts falling due within one year:	2020 £	2019 £
Trade debtors	-	1,719
Other debtors	13,601	5,400
	13,601	7,119

14 Creditors: amounts falling due within one year

	2020 £	2019 £
Other taxation and social security	1,725	-
Trade creditors	24,691	19,657
Other creditors	492	-
Accruals and deferred income	7,860	1,910
	34,768	21,567

15 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			
	Balance at 1 January 2019	Incoming resources	Resources expended	Balance at 31 December 2019
	£	£	£	£
Capital campaign	34,612	56,547	(18,397)	72,762
Garden	-	1,360	-	1,360
	34,612	57,907	(18,397)	74,122

	Movement in funds			
	Balance at 1 January 2020	Incoming resources	Resources expended	Balance at 31 December 2020
	£	£	£	£
Capital campaign	72,762	274,941	(194,568)	153,135
Garden	1,360	-	(1,360)	-
ABF	-	35,000	-	35,000
NLHF EF	-	36,000	(36,000)	-
NLHF CRF 2020	-	36,000	(8,646)	27,354
	74,122	381,941	(240,574)	215,489

Capital campaign - The charity is undertaking significant capital projects. Any restricted funds for capital projects are recorded within this category

Garden - Any funds received with a restriction relating to the ground's garden are included within this fund

ABF - The Army Benevolent Fund has provided a grant for use on specified capital projects of the charity

NLHF EF - The National Lottery Heritage Fund provided the charity with emergency resilience funds as a result of Covid 19

NLHF CRF 2020 - The National Lottery Heritage Fund provided the charity with further Covid resilience funds as a result of Covid 19

16 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

		Movement in funds			
	Balance at 1 January 2019	Incoming resources	Transfers	Revaluations, gains and losses	Balance at 31 December 2019
	£	£	£	£	£
Extraordinary repairs reserves	350,000	-	-	-	350,000
Tangible fixed asset fund	135,853	-	513	-	136,366
Operating deficit fund	186,408	-	(4,310)	52,295	234,393
Capital campaign	-	5,462	10,865	-	16,327
	672,261	5,462	7,068	52,295	737,086

		Movement in funds			
	Balance at 1 January 2020	Incoming resources	Transfers	Revaluations, gains and losses	Balance at 31 December 2020
	£	£	£	£	£
Extraordinary repairs reserves	350,000	-	-	-	350,000
Tangible fixed asset fund	136,366	-	(2,712)	-	133,654
Operating deficit fund	234,393	-	6,985	(66,434)	174,944
Capital campaign	16,327	-	(16,327)	-	-
	737,086	-	(12,054)	(66,434)	658,598

17 Analysis of net assets between funds

	Unrestricted funds 2020 £	Designated funds 2020 £	Restricted funds 2020 £	Total 2020 £
Fund balances at 31 December 2020 are represented by:				
Tangible assets	-	133,654	-	133,654
Investments	-	488,671	-	488,671
Current assets/(liabilities)	-	36,273	215,489	251,762
	-	658,598	215,489	874,087

	Unrestricted funds 2019 £	Designated funds 2019 £	Restricted funds 2019 £	Total 2019 £
Fund balances at 31 December 2019 are represented by:				
Tangible assets	-	136,366	-	136,366
Investments	-	574,611	-	574,611
Current assets/(liabilities)	-	26,109	74,122	100,231
	-	737,086	74,122	811,208

18 Related party transactions

M.G. Sewell is employed as an Investment Manager with Smith & Williamson Investment Management LLP and some of the Hospital's investments are held in the custody of Smith & Williamson on an execution only basis. Smith & Williamson Investment Management LLP fees of £1,555 (2019: £1,506) are included in administration expenses.