

**HOSPITAL OF WILLIAM WYGGESTON AND THE HOSPITAL BRANCH
('WYGGESTON'S HOSPITAL CHARITY')**

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

WYGGESTON'S HOSPITAL CHARITY

CONTENTS

	Page
Chairman's statement	1
Trustees' report	2 - 19
Independent auditor's report on the financial statements	20 - 23
Statement of financial activities	24
Balance sheet	25
Statement of cash flows	26
Notes to the financial statements	27 - 49

WYGGESTON'S HOSPITAL CHARITY

CHAIRMAN'S STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2020

The chairman presents her statement for the year.

What a year this has been! When I closed off my Annual Statement last year we were looking forward to a very positive start to the year - little did we expect the worldwide pandemic that was about to hit us all with particular emphasis on the care industry!

However, here we are one year later having survived one of the biggest challenges in our history, having learned lots of lessons and able to take pride in the fact that we did not suffer any Covid 19 deaths. A lot of this has to be accredited to the way that our management team took ownership of the 'problem' and were extremely pro-active in infection control and the purchase of copious quantities of PPE. Of course, even with Government funding, there has been some impact on our finances but we felt unable to put a monetary value on the lives of our residents and staff - both of which we value greatly. I cannot thank them all enough for their great efforts - the residents for their forbearance and the staff for undertaking tasks sometimes outside their usual scope and hours to ensure the safety of all.

Whilst all this has been going on, we have also managed to work around the various lockdowns to enable us to refurbish large parts of the communal areas in our residential home and the Agnes House residents and staff have been very appreciative of the upgrades.

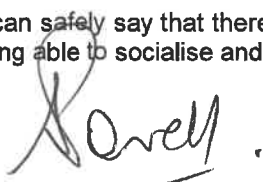
The Governors have also played their role and have had to quickly get up to speed with remote working on Zoom and have sometimes felt the frustration of not being able to have face to face contact with both residents and staff. We cannot wait to be fully back on site and continuing our usual rapport.

One positive we have been able to take from the year has been the fact that our new build was only slightly impacted by the lock down and thanks to the foresight of the construction company in bringing forward the scheduling of materials we are now back on track for completion in early Autumn 2021. We have had a good response from the local community and the majority of our new builds are already reserved.

Something to keep us looking forward!

Wyggestons is always looking to the future and we were therefore pleased to be approached at the very end of 2020 by another local Almshouse regarding Wyggestons taking on the management and Trusteeship and as I write this report we are in the process of discussions and carrying out due diligence through our financial and legal advisers.

I think I can safely say that there is never a dull day at Wyggestons and we are looking forward in 2021 to once more being able to socialise and welcome visitors to our site - the whole charity thrives on interaction with others!



Sandra R Powell

Chairman of the Directors of Wyggeston's Hospital and Hospital Branch Trustee

Date:

24-09-21

WYGGESTON'S HOSPITAL CHARITY

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

1. INTRODUCTION

The financial statements comprise the Annual Financial Statements, Chairman's Introduction and the Trustee's Annual Report for the year 1 January 2020 to 31 December 2020.

The Governors referred to in this report are the Directors of the Corporate Trustee of Wyggeston's Hospital, being the Wyggeston's Hospital and Hospital Branch Trustee, company number 7718817.

This Report should be read in conjunction with the Chairman's Introduction (page 1) which has also been reviewed and approved by the Governors.

2. FOUNDATION AND SCHEME

Wyggeston's Hospital Charity was founded following the grant of Royal Letters Patent to William Wyggeston in 1513. The Scheme of the Charity Commissioners governing the Charity was revised in 1992 and 2012 and the present Scheme is dated 7 February 2012. The Charity's registration number is 216873. The official name of the Charity is Hospital of William Wyggeston and the Hospital Branch.

3. CORPORATE TRUSTEE

On 26 July 2011 a Company Limited by guarantee was established entitled The Wyggeston's Hospital and Hospital Branch Trustee Company number 7718817. On 7 February 2012 this company became the sole Trustee of the Charity. The previous Governors of the Charity becoming the Directors of the company. The Corporate Trustee holds the real estate property of the Charity which was transferred during 2013 / 2014. All sales or purchases of land are now carried out in the name of the Corporate Trustee.

4. WORKING NAME

For day-to-day purposes the Charity is known as Wyggestons or Wyggeston's Hospital and the Directors of the Corporate Trustee are known as Governors.

5. AIM

The aim of the Charity is to apply its income for charitable purposes by the provision of Almshouses or general financial assistance for needy people of the City of Leicester and the provision of Extra Care facilities for needy persons.

6. OBJECTS

The objects of the Charity are:

6.1 Relief in Need on one or more of the following:

6.1.1 The provision and maintenance of Almshouses for poor persons of good character of not less than 60 years of age resident in the City of Leicester;

6.1.2 The provision and maintenance of Extra Care facilities for needy persons of good character with a preference for residents of the Almshouses;

6.1.3 The relief of the needy poor; and

6.1.4 Paying to the Wyggeston School Foundation an annual sum.

WYGGESTON'S HOSPITAL CHARITY

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

7. PUBLIC BENEFIT

The Governors have complied with the duty in S.17 of the Charities Act 2011 to have due regard to the Charity Commission published general and relevant sub-sector guidance concerning the operation of the public benefit requirement under that Act.

It is important and appropriate, therefore, in this report to review the work of Wyggeston's in the light of the Commission's guidance and their published Reports. As readers will be aware there are twelve Charitable Purpose Headings and the Wyggeston's Hospital Charity Scheme fits within three of them:-

- the prevention or relief of poverty
- the advancement of education
- the relief of those in need

We will look at each of the headings in turn and show how Wyggeston's fulfils the public benefit test in each area.

7.1 The prevention or relief of poverty

7.1.1 Leicester Charity Link

Through the Leicester Charity Link (LCL) grants are provided which enable people to have a better quality of life. Although individual grants are limited to a maximum of £500 it is often the case that even a small amount makes a huge difference. The Governors, through the House and Grants Committee, are made aware of all help given. Working with LCL has the advantage that they can access additional funds should this be necessary. They can also ensure an individual is claiming any statutory help available. In 2020 we made a grant of £25,000 for distribution by LCL (in 2019 the grant was also £25,000).

7.1.2 The Bridge Project

For the past few years we have made a grant to the Bridge Homeless to Hope Project. In 2016 the project moved to new premises and began expanding its work to provide employment opportunities for the homeless. A grant of £25,000 was made towards this move and paid in February 2017. In 2020 a grant of £15,000 was made in line with the budget for the last few years.

7.1.3 One Roof Leicester

One Roof Leicester (ORL) is a Charity which provides accommodation, support and advice to the homeless, destitute refugees, asylum seekers and vulnerably housed in Leicester. ORL works with partner organisations, often the local faith community, to ensure that the vulnerable whom they house are not left in isolation. In 2016 Wyggestons purchased a property which is let to ORL for a nil rent allowing them to provide accommodation to a homeless or vulnerable family. The rental for the property on the open market would be in the region of £5/7,000. Therefore this could also be counted a hidden grant aid. This continued during 2020.

7.2 The advancement of education

Under the Terms of the Charity's Scheme we pay an amount annually to the Wyggeston's Schools Foundation. In 2020 this was £10,000 (2019 - £10,000). The Foundation considers applications from the two sixth-form colleges in Leicester City that were formally Wyggeston Schools. Through this additional funding, students can become involved in activities or courses to enhance their broader educational horizons which they would otherwise be denied. The funding was approved in 2019 and is usually made in the September of each year to coincide with the commencement of the academic year. The 2019 payment was made post year end in early 2020 with the agreement of the Foundation along with the annual amount later in the year.

WYGGESTON'S HOSPITAL CHARITY

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

7.3 Wyggestons Grant

The Charity provides one individual with a grant of £5.00 per week (£260 per annum) under a nineteenth century established fund to meet the objective to provide financial relief to older persons in Leicester deemed to be "out pensioners". This Grant ended in February 2020 with the death of the last recipient.

7.4 The relief of those in need

How do you define need? Should it relate simply to a person's bank balance? Need should be interpreted in various ways, including financial, emotional and spiritual. Some people will have a property but little or no savings and insufficient income with which to maintain it. Others may be suffering social isolation as the area in which they were born and brought up changes beyond their recognition.

In William House, our Almshouse, we provide independent living sheltered housing units, open to all who qualify under the Terms of the Charity Scheme. In a community atmosphere the residents benefit from not having the worry of housing maintenance, they are with like-minded and similar aged people and enjoy the security of someone on call should they suffer an emergency. In addition, we have a Chapel on site and can offer spiritual and pastoral support as needed through the Master, an ordained Anglican Priest. As people age and their needs increase they can, subject to assessment, transfer to Agnes House, our Residential Home, which is on the same site. The proximity of the buildings has the added advantage that fellow residents who have become friends over the years can visit easily and maintain contact. Families also appreciate that when the time comes for the extra level of care the parent or loved one is already known to the staff and this reduces the stress of moving. In both units there is a degree of subsidy. The Governors' Policy is that the weekly charges in William House and Agnes House will be below that of an economic rent or fee as part of the Charity's Relief in Need help. This amounts to approximately £400,000 per annum.

7.5 Conclusion

In the light of all the above we firmly believe that Wyggeston's would 'pass' any Review by the Charity Commission concerning its charitable work.

8. STRATEGIC OVERVIEW

Wyggeston's was established to provide sheltered housing and give grant aid. It achieves this by:-

- providing 56 units of Almshouse Accommodation in William House;
- 26 en-suite rooms in Agnes House;
- paying grant aid either directly or via Leicester Charity Link;
- Providing a property at no / minimal cost at another organisation to work with individuals or families who would otherwise be homeless.

As an endowed Charity the income from investments provides monies to supplement the work and the Almshouses and residential home are provided at subsidised rates. The main limiting factors for the Charity are the very low interest rates and the rates paid by the local authorities for residents in the care home.

We are very fortunate with our employees, some of whom (10%) have been with us since we opened Agnes House in 1992. The average length of service remains at 11 years and turnover is also extremely low. During 2020 six employees left as two were temporary staff employed during the Covid-19 pandemic, one resigned and three retired. Although this equals around 5% turnover (we only have 58 employees) the average in the care industry in the East Midlands is around 25% / 30%. The split between male and female is 12% and 88% and full time and part time is 10% and 90% respectively.

We monitor our performance by carrying out an Annual Residents' Survey. We are also monitored by external

WYGGESTON'S HOSPITAL CHARITY

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

bodies, the Care Quality Commission (CQC) and the Leicester City Council.

Financially we are strong and currently there is no reason why Wyggeston's should not continue for a further 500 years. Details of how the Governors work through the various committees is given below. As mentioned elsewhere the day-to-day management is carried out by the senior staff. However, among the staff only the Master has cheque signing authority. All payments are authorised by two Governors and all payments are reported to the Finance Committee at the next round of meetings. Limits are placed on the amounts that can be authorised before referring to the Governors. Budgets are approved at the autumn round of meetings for the following year and any variances greater than 20% are investigated and explanations provided. Each committee receives budget to actual reports at its meetings and all Governors receive financial information on a regular basis.

9. RISK MANAGEMENT

The Governors have examined the major strategic business and operational risks which the Charity faces and confirm that systems are in place to ensure regular reports are produced so that the necessary steps can be taken to lessen these risks with a formalised risk register reviewed annually. This has been amended to include new risks that occurred due to the post year end Covid-19 virus which has led to significant risks for the Charity. The initial market volatility resulted in losses for the Charity's investment portfolios and the fund managers worked closely with Governors to limit the impact on the Charity's cashflows. The Charity also experienced loss of a number of staff for the duration due to the "shielding" regulations and increased associated costs in staffing and consumables. Senior staff formed a crisis management team to manage all aspects of the crisis and worked closely with Governors in ensuring sufficient resources were available to reduce all risks.

The major risks to the Charity are reputational damage, fraud and 'Acts of God'. Whilst having no control over the development of the epidemic the Governors have in place various measures to mitigate the likelihood of reputational damage and fraud including a robust Business Continuity Plan and associated Crisis Management plans to protect the Charity.

Going Concern

The 2021/22 budgets and forecasts have been drawn up and amended with consideration for the ongoing impact of Covid-19 along with planned capital projects. The budgets and forecasts contain a number of assumptions and these have been assessed to consider the sensitivity of the projected performance. Furthermore, the Charity has secured a medium-term loan facility of £2.2m for the purpose of financing the remainder of the Lancaster House and cottages capital project in 2021, thus allowing recurring incoming cash resources to be made available for operational expenditure needs. On review of these documents, the Trustees believe that the Charity's financial resources and contingency planning is sufficient to ensure the ability of the Charity to continue as a going concern for 12 months from the point of signing and therefore the financial statements have been prepared on this basis.

WYGGESTON'S HOSPITAL CHARITY

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

10. RESIDENTS

During 2020 there were 12 (2019 – 13) deaths and 2 (2019 – 6) transfers of residents.

10.1 William House - The Almshouse

10.1.1 Statistics

Deaths: 1 (2019 - 3)

Moved: 2 (2 internal to Agnes House) (2019 - 5 – 4 internal to Agnes House)

Empty flats at the year-end: 2 (2019- 2)

Average occupancy during the year was 95% (2019 - 95%)

At the year-end:-

Average age: 79 years (2019 - 78)

Average length of occupancy: 6.2 years (2019 - 6.3)

Youngest resident: 62 (2019 - 63)

Oldest resident: 97 (2019 - 96)

Male : Female ratio 26% : 77 % (2019 - 27% : 73%)

Total residents: 63 (2019 - 59)

10.1.2 Building and repairs

Four flats were upgraded during the year one of which was as part of the wider refurbishment of the former Master's House to enable the construction of a hallway access to the new Hub development. Full external redecoration was carried out and necessary repairs undertaken during that work. As usual minor repairs and maintenance items were carried out during the year.

10.2 Agnes House - The Residential Home

10.2.1 Statistics

Average occupancy during the year was 94% (2019 - 96%)

At the year-end:-

Average age: 90.7 years (2019 - 91.9)

Average length of occupancy: 1.4 years (2019 - 2.6)

Youngest resident: 84 (2019 - 83)

Oldest resident: 107 (2019 - 106)

Male : Female ratio 17% : 83 % (2019 - 12% : 88%)

Deaths: 10 (2019 - 11)

WYGGESTON'S HOSPITAL CHARITY

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

Vacancies at Year End: 2 (2019 - 1)

10.2.2 Building and repairs

There have been no major works to the Agnes House building during 2020. General repairs and maintenance continue as necessary.

11. GOVERNANCE OF THE CHARITY

The Governors are responsible for the overall management and organisation of the Charity. The full Board of Governors met four times in 2020. The Finance Committee, Estate Committee, House and Grants Committee, Review Committee, Executive Committee and Looking Ahead Group support the Governors in carrying out their responsibilities.

Each Committee consists of at least nine Governors, except the Executive Committee, which comprises the Chairman and Vice-Chairman of the Board of Governors and the Chairman and Vice-Chairman of each Committee. The Finance Sub-Committee - Investment comprises the Chairman and Vice-Chairman of the Governors, the Chairman and Vice-Chairman of the Finance Committee and at least one other Governor.

The Governors are ultimately responsible for the policy and direction of the Charity, with day to day management delegated to the senior staff headed by the CEO, who also acts as Clerk to the Governors. The Care Manager has dual responsibility for William House and Agnes House. The Master is responsible for the pastoral care of all residents and staff. All Governors are notified of relevant training opportunities. These are fully funded by the Charity. The Clerk to the Governors attends various courses and provides reports to update Governors. The Professional Advisors also offer in-house updates specifically tailored to the Governors needs as necessary.

12. GOVERNORS

12.1 Directors / Governors

Thanks are recorded to all the Governors who have given so freely of their time not only to attend meetings but also to deal with individual matters during the year.

Directors of the Wyggeston's Charity are commonly known as Governors. Details of those who served during the year can be found on page 18 and 19.

The directors that served during the year and their term length is documented page 18 and 19.

In November 2017 the Charity Commission, jointly with others published 'Taken on Trust – The awareness and effectiveness of Charity Trustees in England and Wales'. In the recommendations reference is made to the recruitment of Trustees and that this should, '...embrace the introduction of different people, new ideas, skills and experience to Trustee boards, and to target the recruitment of Trustees from more diverse sections of society...'

Our full complement of Governors is twenty, being ten Co-options, one ex-officio and nine nominations from public bodies. In both instances it is not always easy to recruit suitable candidates. To obtain a wide spread of skills and experience we take into account diverse factors such as gender, age and skills. An initial meeting is arranged for potential candidates with the Chairman and Vice Chairman and includes a full tour of the Charity. If suitable, and the candidate accepts the invitation to become a Governor, they are appointed at a Special meeting prior to the next full meeting. All Governors are offered the opportunity to attend a training course which is funded by the Charity and all new Governors are offered the chance to spend time with senior staff to understand how the Charity fulfils its aims and objectives. The Governors have reviewed the selection process and feel, with the difficulty of recruiting suitable new Trustees and with younger people less willing to give so freely of their time, they will continue for the time being with the existing process and terms.

The Governors are aware of the latest Charity Governance code and this is currently being considered.

WYGGESTON'S HOSPITAL CHARITY

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

12.2 Remuneration And Benefits

Under the terms of the Charity Scheme (Sections 16 – 21) the Charity is required to employ a Master who shall be an Ordained Priest of the Church of England. The Master is an Ex-officio Governor. The Master is the only Governor who received any form of remuneration from the Charity during the period covered by these Financial Statements. See Note 14 to the Financial Statements.

12.3 Statistics (years) of Directors/Governors

12.3.1 Age

Youngest: 53 Oldest: 83 Average: 72

12.3.2 Length of Service

Longest:-
Continual unbroken: 37 With a break of service: 43

Newest:- Appointed February 2019

12.3.3 Male / Female (%)

Male: 65% Female: 35%

12.4 Meetings and Committees

Included below are the average attendance at the various meetings.

During the year the full board of Governors held two Special and Four Ordinary Meetings. Average attendance was as follows: Special 70%, Ordinary 86%.

Committees appointed by the Full Governing Body to consider matters in depth and make recommendations to the Full Governing Body are:-

12.4.1 The Executive Committee

The Executive Committee is made up of the Chairman and Vice Chairman of the Governors and the Chairman and Vice Chairman of each Committee. The Master is Ex-officio Member of all Committees. The purpose of the Executive Committee is to consider matters in detail as a small group and to take recommendations to the appropriate Committee of the Governors for consideration. The Executive Committee did not meet during the year.

WYGGESTON'S HOSPITAL CHARITY

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

12.4.2 The House and Grants Committee

Deals with matters relating to the residents, employees, the buildings and grant making. The Committee met four times during the year. Average attendance was 90%.

12.4.3 The Estate Committee

Dealing with matters relating to the Agricultural Estate. The Committee met four times during the year. Average attendance was 95%.

12.4.4 The Finance Committee

The role is to review and monitor performance against budgets and forecasts. The Committee met four times during the year. Average attendance was 95%.

12.4.5 The Finance Committee Sub-Committee - Investments

Has the specific role of monitoring the investments of the Charity and, in consultation with our Stockbrokers/Asset Allocation Advisors/Land Agents, ensure the Charity's assets are held in appropriate categories or Funds within the guidelines set by the Governors. The Sub Committee did not meet during 2020.

12.4.6 The Audit Committee

Meets annually to discuss the draft financial statements with the auditors. The Committee met once during the year. Attendance was 42%.

12.4.7 The Review Committee

Meets annually to review the level of charges to residents and the remuneration of employees. Attendance was 66%.

12.4.8 Looking Ahead

This Group reviews the strategic role and function of the Charity. The Group met 10 times during the year. Average attendance was 97%.

13. INSPECTIONS AND EXTERNAL ASSESSMENTS

13.1 Statutory Inspections

In addition to the annual Health and Safety inspections carried out by our consultant the Leicestershire County Fire Brigade undertook an assessment of the care home in 2020 and confirmed all was in good order with no areas of concern. Care Quality Commission also undertook an Infection control assessment in September 2020 as part of their Pandemic management procedures.

14. STAFF AND VOLUNTEERS

14.1 General

To all the staff we express our sincere thanks as it is only through their commitment we are able to carry out the good and positive work in caring for those in need, for which the Charity was established.

14.2 Numbers

Detailed staff numbers are given in Note 13.

WYGGESTON'S HOSPITAL CHARITY

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

14.3 Staff Turnover

During 2020 six employees left (2019 - four) of which three retired after long service with the Charity and two were short term appointments to assist during the pandemic.

14.4 Agnes House

Care staff with NVQ IWE or equivalent or above: 96%.

14.5 Volunteers

14.5.1 Governors

The Governors give freely of their time and abilities.

14.5.2 Others

There are no other volunteers.

15. FINANCIAL

15.1 General

We are pleased to report a satisfactory financial performance for the year. The detailed figures for the year under review appear on pages 24 to 49.

15.2. Financial Controls

The Governors are satisfied that the financial controls currently in place meet all the regulatory requirements.

15.3 Income Streams

The main income streams for Wyggeston's are investment income and income from residents. The Investment income is from the stock market investments and the agricultural investment. Each one is important and allows the Governors not only to maintain the current work of the Charity but to plan strategically for the future.

15.4 Investments

15.4.1 Investment Policy

The overall policy of the Governors is to maintain a balanced portfolio which includes Fixed Interest Bonds, Gilts, Equities and Property either agricultural, commercial or domestic. Investment may be direct into individual shares or via appropriate collectives or other relevant instruments. The Governors do not intend to invest directly in hedge Funds or high risk derivatives.

15.4.2 Externally Managed Funds

Aberdeen Standard Capital and Cazenove continued as our Investment Fund Managers for externally held investments during 2020.

15.4.2.1 Aberdeen Standard Capital

Portfolio Commentary – for the year ending 31st Dec 2020

The global pandemic triggered one of the most tumultuous years in financial history. While the path of returns

WYGGESTON'S HOSPITAL CHARITY

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

was not straightforward, we were pleased to deliver a robust annual return of +8.0% against a market composite benchmark of +0.3%.

The approach adopted by the investment team is defined as Quality, Sustainable Growth. We seek to identify the beneficiaries of long-term structural trends which led us to favour sectors such as Technology and Healthcare in 2020. After the initial market sell-off in March, markets became much more discerning as to the companies who would thrive or struggle in a pandemic environment. A material overweight to these sectors, and a void in travel and leisure and banking allowed the portfolio to perform well from April onwards. As we head into 2021, structural themes have continued to evolve and we have taken profits in areas such as Technology and redeployed capital in areas such as Industrials.

Another key driver to outperformance has been the material underweighting to fixed interest. We took the decision to reduce Gilts at the height of the pandemic after the position had delivered strong performance. In our view, interest rates are at structural lows and likely to rise over the next 5-10 years. This creates a difficult environment for bonds. Instead we favour listed social and renewable infrastructure which has provided some diversification from stock market risk and an alternative source of income, ensuring the portfolio remains focused on delivering a combination of regular and recurring income for Wyggeston's Hospital now and the potential for above-inflation growth in future months and years.

Looking to 2021, we continue to favour equities and remain focused on identifying companies and industries positioned to become beneficiaries of long-term structural trends. We are selectively adding to companies who we anticipate will benefit from the recovery, although we do so in a cautious way to temper any future volatility. We are not out of the woods yet.

15.4.2.2 Cazenove Capital Investment

Since inception (1st February 2012) the portfolio has produced a total return (both capital growth and income) of 84.6% net of fees. The portfolio performance is measured against CPI +3% and a composite benchmark, which have returned 50.2% and 92.2% respectively. The composite benchmark was changed in 2018 to have a more even split between UK listed and overseas equities while also lowering the allocation to bonds.

2020 was a challenging year for markets with global equity markets falling dramatically in March when the pandemic took hold. The subsequent recovery was polarised – while sectors like technology bounced back strongly (led by a few very large technology stocks in the US), the UK lagged and ended the year down -9.8%. Against this backdrop, the Wyggeston portfolio delivered a return of +0.5% for the year.

Overseas equities were the biggest drivers of returns over the year, particularly our holdings in North America and Asia, along with our thematic allocations to technology and healthcare. Fund selection in Europe was also strong with our holding in BlackRock European Dynamic outperforming the index by 26.2%. Our Fixed Income positions performed well as yields fell over the year, although our shorter-duration preference was a detractor on a relative basis. Our holding in gold was also a standout contributor, returning 19.3% over the year. UK equities were the main detractor to returns. We maintain an allocation to the UK in order to achieve our income target of 3%, with UK equities offering a yield premium to other equity markets.

We remain positive on equities and believe that the vaccine roll-out and significant stimulus will support a recovery in economic growth in the second half of 2021 and 2022. With yields still at low levels relative to history, we remain underweight bonds though we maintain an allocation for diversification purposes as further equity volatility is likely. We are positive on alternatives, particularly areas such as infrastructure which benefit from stable income streams and significant fiscal support, not least Biden's \$2 trillion infrastructure spending package.

WYGGESTON'S HOSPITAL CHARITY

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

15.5 Agricultural Estate and Other Real Estate

The largest investment is the agricultural estate of almost 5,000 acres and sundry other real estate. This investment is subject to the same treatment as the Stocks and Shares Portfolio. No depreciation is made against the investment and its value is informally reviewed annually. A full formal valuation is usually carried out every five years. The last one was carried out for the year ended 31st December 2017 by Andrew Granger and Co, Chartered Surveyors, who valued the estate investment at £29,500,000. The next formal valuation is due at the end of 2022, however an uplift of £2,000,000 was recognised in 2018 due to the receipt of planning permission for the Rugby Motorway Service Area. With additions and disposals during 2019 and 2020 the value used in the financial statements for year ended 31st December 2020 totals £31,526,797.

15.5.1 Sales and Purchases and other actions

During 2020 land was disposed in Leicestershire to extend an existing farm at net proceeds of £1,463,800.

Keeping the Estate's tenancies organised in viable blocks is always a challenge and good progress was made in this regard in 2020.

15.5.2 Planning Permissions

Churchover area

In March 2019 the Charity entered into a 99 year lease with MOTO to develop the site as a Motorway Service Area that opened in April 2021 following onsite delays due to Covid 19 impact on the construction industry.

15.5.3 Maintenance

The Agents arrange general maintenance and insurance on the estate where it remains the landlord's responsibility. They have standing instructions that they may spend up to an amount equal to 10% of rental income without referring back to the Governors for such maintenance. The 10% level is taken over a three-year rolling programme to allow for the various fluctuations each year.

15.5.4 Visit

Each year the Governors, with their advisors, visit either an existing holding or, if new land has been purchased, visit to meet any new Tenant(s) on the estate. The usual visit cycle is about every five years. In 2019 a visit to North Lodge Farm Harlaxton took place together with a tour of some of the smaller parcels of land in the Vale of Belvoir. There were 15 Governors together with representatives from the various advisors on the visit during 2019. No visit occurred in 2020 due to the impact of Covid-19.

15.6 Pensions

Wyggeston's offers all its employees the chance to join in a pension scheme under the umbrella of The Pensions Trust.

There are particular areas the Governors must consider concerning pensions. The original scheme had an element of capital guarantee and as a group style scheme existing members are mutually liable for each other's debts. There is a potential debt on withdrawal and The Pensions Trust has notified the Charity that the Employer debt on withdrawal could be in the region of £90,000 (2019: £90,000). This would only become payable in the event the Charity had no active members in the Scheme.

Secondly The Pensions Trust have imposed an annual levy of over £3,000 per annum for the next six years to make good the current deficit. This is a requirement by the Pensions Regulator. The Governors, therefore, feel it prudent to reserve a sum of £100,000 against these real and potential liabilities. This will be reviewed annually, see Note 29 to the Financial Statements.

WYGGESTON'S HOSPITAL CHARITY

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

15.7 Grants - Received

During the year the Charity received a grant of £500 from the Duchy of Lancaster which is used towards the costs of Founders Day.

15.8 Fundraising

The charity was not involved directly or indirectly in any fundraising for its own benefit during 2020 and is unlikely to undertake any fundraising in the near future.

The Charity had no fundraising activities requiring disclosure under S162A of the Charities Act.

15.9 Subsidiary Companies

The charity is a single site, single operation entity and does not have any subsidiaries.

15.10 Reserves Policy

Free reserves are calculated as the general unrestricted funds of the Charity excluding the funds invested in tangible fixed assets.

The Charity had in the unrestricted general fund free reserves, which excludes tangible fixed assets, negative funds of £2,608,750 at the end of the current year. This is calculated by taking the closing total funds, less permanent endowment, restricted funds, tangible fixed assets and designated funds. The Governors consider that a minimum of six months of the Charity's annual expenditure is a realistic figure in order to cover risks and uncertainties. For the year ended 31 December 2020 this would total £1,177,957 and thus the free reserves fall outside this range.

The level of free reserves during the year has fallen below the target set by the Governors largely as a result of the initial stages of the Lancaster House and cottages capital project being financed out of existing cash resources, in excess of projected working capital requirements. On completion of the project in 2021, the Governors intend to manage the Charity's resources with a view to recovering the level of free reserves over the medium term.

15.11 Extraordinary Repair Fund (ERF) and Cyclical Maintenance Fund (CMF)

There were no major works funded from the ERF during the year. Four flats were upgraded and the external decoration was funded by the CMF during 2020. Other general maintenance items were allocated directly to the general repairs and maintenance budget.

15.12 Transfers

Transfers for 2020 have been made to the ERF and CMF in the sums of £100,000 and £75,000 respectively.

WYGGESTON'S HOSPITAL CHARITY

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

15.13 Other Funds

The other funds are detailed in Note 23 of the financial statements.

16. SENIOR STAFF

Although the Board of Governors is the legal entity with responsibility for the assets and management of the Charity, day-to-day management is carried out by the senior staff. These are The Master (who under the Terms of the Charity Scheme must be an Ordained Priest in the Church of England) - the Reverend Anthony (Tony) Leighton who is responsible for the pastoral care of the residents and any employee or Governor who seeks his help or guidance. Rev Leighton's appointment was extended for a further five years during 2019 with the approval of the Governors, Bishop of Leicester and the Duchy of Lancaster.

The Chief Executive, Chris Jones, is responsible for all the day-to-day management of the Charity and also acts as Company Secretary and clerk to the Governors. Louise Richards, Head of Care is responsible for the care and welfare of all residents. For remuneration details see note 13.

The remuneration package for each employee is determined by reference to external factors such as clergy pay scales or comparative figures from the press for similar positions. Appointments are made following the standard industry procedure of formal application, interview and background checks such as references and Enhanced Disclosure and Barring Check.

WYGGESTON'S HOSPITAL CHARITY

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

17. PROFESSIONAL ADVISORS

The professional advisors of the Charity are:

Auditor & Accountants

Crowe U.K. LLP
Fourth floor
St James House
St James Square
Cheltenham
GL50 3PR

Bankers

CAF Bank Limited
PO Box 289
West Malling
Kent
ME19 4TA

Land Managing Agents

Andrew Granger and Company
Stoughton Grange
Gartree Road
Leicester
LE2 2FB

Solicitors

Browne Jacobson LLP
Mowbray House
Castle Meadow Road
Nottingham
NG2 1BJ

Investment Managers

Aberdeen Standard Capital
Bow Bells House
1 Bread Street
London
EC4M 9HH

Investment Managers

Cazenove Capital Management
1 London Wall Place
London
EC2Y 5AY

Independent Financial Advisors

(For Investment Managers Review)
Crowe Financial Planning UK Ltd
Fourth Floor
St James House
St James Square
Cheltenham
GL50 3PR

Pensions Advisors

Mattioli Woods
1 New Walk Place
Leicester
LE1 6RU

18. REGISTERED OFFICE (FOR ALL CORRESPONDENCE)

The Administration Office
Wyggestons
160 Hinckley Road
Leicester
LE3 0UX

WYGGESTON'S HOSPITAL CHARITY

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

19. STATEMENT OF TRUSTEE'S RESPONSIBILITIES

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments 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 business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions, 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 Charities (Accounts and Reports) Regulations 2008 and the provisions of the Charity's constitution. 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.

20. OBJECTIVES AND ACHIEVEMENTS

In last year's review a number of Objectives were set out for 2020. These are listed below together with our achievements.

- Commenced work on the new Lancaster House (Cherryleas site) to develop 14 new properties, administration offices and community room.
- Completed the implementation of the Access Staff payroll system.
- Completed the modernisation of Ex Master House flats and upgraded 4 flats as required.
- Refurbishment of communal corridors and facilities at Agnes House.
- Continued the work of the Looking Ahead Group to consider other strategic opportunities and oversee commencement of the Cherryleas development.
- Completion of the Wentworth road, Coalville land sale to Countryside Developments for Midland Heart Housing Group. The land is to be developed for affordable housing to meet local need.
- Care Quality Commission infection control inspection found the care home to be fully compliant.

21. OBJECTIVES FOR 2021

- Completion of the new Lancaster House and Cottages Development project.
- Completion of the Motorway Service Area project at Churchover.

WYGGESTON'S HOSPITAL CHARITY

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

- Continue to modernise and upgrade flats in William House as necessary.
- Renew and upgrade the heating system for William House.
- Recommence the Governors visits.
- Review the Policy and Procedures Manual to reflect the Charity Governance Code assessment and update as necessary.
- Implement the new Access Care Planning system in Agnes House.
- Continue the work of the Looking Ahead Group to oversee the completion of the current projects and explore opportunities to develop the Charity's activities.

WYGGESTON'S HOSPITAL CHARITY

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

On 7 February 2012, the Wyggeston's Hospital Charity became a body corporate called The Wyggeston's Hospital and Hospital Branch Trustee, company number 7718817. With effect from that date, The Wyggeston's Hospital and Hospital Branch Trustee became the governing body of the Charity.

The minimum number of directors is six and the maximum number is 20 made up of one Ex-Officio (the Master for the time being) ten Co-Opted and nine nominated by external bodies. Detailed below are the directors of The Wyggeston's Hospital and Hospital Branch Trustee who served in office during the year.

NAME	COMMITTEE(S)*	APPOINTED	EXPIRES
Honorary (no voting rights)			
The Lord Mayor of the City of Leicester for the time being			Annual appointment.
O D Lucas		2017	n/a
Co-opted (10) (Term of 7 Years)			
Mrs S V Hubner	E Ex F H LA R	(Ch of House)	1983 26.06.24
J K McLauchlan	A E Ex F Fs R	(Ch of Estate)	1993 25.02.28
R L Pierce	E F R	(V Ch of Estate)	2007 24.06.21
Mrs E M Bamford	H LA R	(V Ch of House)	2016 21.06.23
Mrs A Brown	H LA		2016 21.06.23
Mrs T M Phillips	E F		2016 21.06.23
Mrs S R Powell	A E Ex F Fs H LA R	(Ch of Board)	1996 21.02.24
Dr R P Archer	H		2018 27.02.25
Mr D W Lax	A E F Fs LA R	(V Ch of Finance)	2019 01.02.26
Vacancy x 1			
Ex-Officio (1)			
Master of the Hospital (Term of 5 years)			
Rev'd A R Leighton	E Ex F Fs H LA R	2019	01.11.24
Nominated (9) (Term of 5 Years)			
Appointed By Leicester City Council (4)			
Dr S Barton	E F	Re nominated 2019	2014 30.05.24
W G Ginns	H	Re nominated 2020	2005 16.03.25
Vacancy x 2			
Appointed By Leicestershire County Council Education Committee (2)			
P Osborne	E F Fs LA R A	(Ch of Finance)	2017 01.10.22
P Posnett	H		2018 11.03.23
Appointed By Leicestershire County Council Social Services Committee (2)			
M B Page	E F Fs A LA R	Passed away 21.04.21	2001
J W Royce	E F LA		2001 27.06.21
Appointed By Leicester City NHS Primary Care Trust (1)			
O J Saunders	A E Ex F Fs LA R	(V Ch of Board)	2009 14.05.24

WYGGESTON'S HOSPITAL CHARITY

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

***Committees:-**

A = Audit	E = Estate	Ex = Executive	F = Finance
Fs = Finance Sub	H = House and Grants	LA = Looking Ahead	R = Review
Ch = Chairman	VCh = Vice Chairman		

All correspondence to the Governors should be addressed through the Registered Office.

The Charity also operates under the name Wyggeston's Hospital Charity.



24-09-21

Sandra R Powell

Chairman of the Directors of Wyggeston's Hospital and Hospital Branch Trustee

WYGGESTON'S HOSPITAL CHARITY

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WYGGESTON'S HOSPITAL CHARITY

Opinion

We have audited the financial statements of Wyggeston's Hospital Charity (the 'charity') for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2020 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

WYGGESTON'S HOSPITAL CHARITY

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WYGGESTON'S HOSPITAL CHARITY (CONTINUED)

Other information

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

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on page 16, 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 liquidate the charity or to cease operations, or have no realistic alternative but to do so.

WYGGESTON'S HOSPITAL CHARITY

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WYGGESTON'S HOSPITAL CHARITY (CONTINUED)

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.

Details of the extent to which the audit was considered capable of detecting fraud and irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the Charity operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011 and the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the Charity's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the Charity for fraud.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management and income recognition. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence including that with the Charity Commission, designing audit procedures to review the recognition of income and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit,

WYGGESTON'S HOSPITAL CHARITY

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WYGGESTON'S HOSPITAL CHARITY (CONTINUED)

there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

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 its Trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Crowe U.K. LLP

Crowe U.K. LLP
Statutory Auditor

St James House
St James Square
Cheltenham
GL50 3PR

Date: 27 September 2021

Crowe U.K. LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

WYGGESTON'S HOSPITAL CHARITY

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Endowment funds 2020 £	Total funds 2020 £	Total funds (restated) 2019 £
Income from:						
Donations		2,056	500	-	2,556	1,166
Charitable activities	4	1,395,376	-	-	1,395,376	1,420,894
Investments	5	871,198	-	-	871,198	970,721
Other income	6	115,218	-	-	115,218	-
Total income		2,383,848	500	-	2,384,348	2,392,781
Expenditure on:						
Raising funds:						
Investment manager's fees		-	-	55,380	55,380	45,963
Estate expenditure	7	231,007	-	-	231,007	214,692
Charitable activities	9	2,058,334	500	10,692	2,069,526	1,913,948
Total expenditure		2,289,341	500	66,072	2,355,913	2,174,603
Net income/(expenditure) before net (losses)/gains on investments						
		94,507	-	(66,072)	28,435	218,178
Net (losses)/gains on investments	16,17	-	-	(349,085)	(349,085)	1,229,587
Net income/(expenditure)		94,507	-	(415,157)	(320,650)	1,447,765
Transfers between funds	23	(1,411,330)	-	1,411,330	-	-
Net movement in funds		(1,316,823)	-	996,173	(320,650)	1,447,765
Reconciliation of funds:						
Total funds brought forward (as restated)		6,294,632	3,320	40,879,951	47,177,903	45,730,138
Net movement in funds		(1,316,823)	-	996,173	(320,650)	1,447,765
Total funds carried forward		4,977,809	3,320	41,876,124	46,857,253	47,177,903


The notes on pages 27 to 49 form part of these financial statements.

WYGGESTON'S HOSPITAL CHARITY

BALANCE SHEET AS AT 31 DECEMBER 2020

	Note	2020 £	2019 (restated) £
Fixed assets			
Tangible assets	15	6,020,389	4,025,809
Listed investments	16	10,613,396	10,481,661
Investment property	17	31,526,797	33,644,347
		<u>48,160,582</u>	<u>48,151,817</u>
Current assets			
Debtors	18	206,741	617,046
Cash at bank and in hand		1,476,842	1,251,628
		<u>1,683,583</u>	<u>1,868,674</u>
Creditors: amounts falling due within one year	19	(590,812)	(422,285)
Net current assets		<u>1,092,771</u>	<u>1,446,389</u>
Total assets less current liabilities		<u>49,253,353</u>	<u>49,598,206</u>
Creditors: amounts falling due after more than one year	20	(2,396,100)	(2,420,303)
Total net assets		<u>46,857,253</u>	<u>47,177,903</u>
Charity funds			
Endowment funds	23	41,876,124	40,879,951
Restricted funds	23	3,320	3,320
Unrestricted funds	23	4,977,809	6,294,632
Total funds		<u>46,857,253</u>	<u>47,177,903</u>

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


Sandra R Powell
 Chairman of the Directors of Wyggaston's Hospital and
 Hospital Branch Trustee

The notes on pages 27 to 49 form part of these financial statements.

WYGGESTON'S HOSPITAL CHARITY

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	2020 £	2019 (restated) £
Cash flows from operating activities			
Net cash (used in) / provided by operating activities	25	(683,431)	1,989,190
Cash flows from investing activities			
Dividends, interests and rents from investments		871,198	943,653
Purchase of tangible fixed assets		(1,897,123)	(550,035)
Proceeds from sale of investments		2,716,279	1,503,050
Purchase of investments		(2,043,085)	(2,172,863)
Additions to investment properties		-	(1,727,896)
Proceeds on disposal of investment properties		1,463,800	-
Movements in investment cash		(267,443)	-
Net cash provided by/(used in) investing activities		843,626	(2,004,091)
Change in cash and cash equivalents in the year		160,195	(14,901)
Cash and cash equivalents at the beginning of the year		1,316,647	1,331,548
Cash and cash equivalents at the end of the year	26	1,476,842	1,316,647

The notes on pages 27 to 49 form part of these financial statements

WYGGESTON'S HOSPITAL CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1. General information

Wyggeston's Hospital Charity is a registered Charity with the Charities Commission in England & Wales (registered number 216873). The official name of the Charity is Hospital of William Wyggeston and the Hospital Branch. The address of its registered office is 160 Hinckley Road, Leicester, LE3 0UX.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards modified to include revaluation of fixed asset investments and estate land and buildings to market value.

Wyggeston's Hospital Charity meets the definition of a public benefit entity under FRS 102.

2.2 Going concern

At the time of approval, the Covid-19 virus continues to develop and is designated a global pandemic by the World Health Organisation. Both short term and long term effects of the escalating situation are unknown but the Trustees continue to closely monitor the situation. The Trustees have assessed the impact of Covid-19 on its operations thus far and this has been mostly limited to the level of income from dividends, which is dependent on the performance of listed investments.

The 2021/22 budgets and forecasts have been drawn up and amended with consideration for the ongoing impact of Covid-19 along with planned capital projects. The budgets and forecasts contain a number of assumptions and these have been assessed to consider the sensitivity of the projected performance. Furthermore, the Charity has secured a medium-term loan facility of £2.2m for the purpose of financing the remainder of the Lancaster House and cottages capital project in 2021, thus allowing recurring incoming cash resources to be made available for operational expenditure needs. On review of these documents, the Trustees believe that the Charity's financial resources and contingency planning is sufficient to ensure the ability of the Charity to continue as a going concern for 12 months from the point of signing and therefore the financial statements have been prepared on this basis.

WYGGESTON'S HOSPITAL CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.3 Income

Estate income includes rents receivable on all of the Charity's properties, which are managed under an agreement where rents are collected on behalf of the Charity by an Estate Manager. The properties are rented on an annual rolling basis, with the exception of the Moto lease which is on a 99 year lease.

Estate rents and weekly maintenance charges are accounted for on a receivable basis or when the Charity has entitlement to recognise the income.

Residency charges comprise amounts receivable for both William House and Agnes House. Income is recognised on a receivables basis or when the Charity has entitlement.

Donations are recognised on receipt.

Income from investments is included in the Statement of Financial Activities only if received, or declared and receivable. Gains or losses arising from the revaluation of investments are recognised in the Statement of Financial Activities.

2.4 Expenditure

Expenditure on Raising Funds comprise those costs directly attributable to managing the permanently endowed investment portfolio and are charged against the assets of the fund.

Charitable Activities comprises all expenditure incurred directly relating to the objects of the Charity.

Grants payable includes payments made to individuals and Wyggeston's School Foundation as set by the Trust Deed. See Note 8 for additional grants made to institutions during the year.

Governance costs are those associated with constitutional and statutory requirements and are included within Charitable Activities.

All costs have been allocated to the category of expenditure to which they are directly attributable.

All expenditure is inclusive of irrecoverable VAT.

2.5 Government grants

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

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £5,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

WYGGESTON'S HOSPITAL CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.6 Tangible fixed assets and depreciation (continued)

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, .

Depreciation is provided on the following basis:

Hospital buildings	-	2.0% Straight line
Fixtures and fittings	-	5 - 20% Straight line

No depreciation has been applied to assets in the course of construction.

2.7 Investments

Quoted investments are revalued and included in the financial statements at their market value at the Balance Sheet date.

Estate land and buildings are treated as investment properties and consequently no depreciation is provided.

Gains or losses arising from the revaluation of investments are recognised in the Statement of Financial Activities.

2.8 Debtors

Trade debtors and accrued income are recognised at the settlement amount due and prepayments are valued at the amount prepaid.

2.9 Cash at bank and in hand

Cash is represented by cash in hand and deposits with financial institutions.

2.10 Creditors

Creditors are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are measured at the settlement amount due.

2.11 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Financial assets measured at fair value comprise of quoted investments. Financial assets measured at settlement value comprise of cash, trade debtors and accrued income. Financial liabilities measured at settlement value comprise of trade creditors, accruals and other creditors.

WYGGESTON'S HOSPITAL CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.12 Operating leases

Rental income due to Wyggeston's Hospital Charity, applicable to operating leases, where substantially all of the benefits and risks of ownership remain with the Charity are credited to the Statement of Financial Activities over the lease term. Lease incentives represent lease premium received in advance by the lessor, the aggregate benefit of which is recognised over the life of the lease.

2.13 Pensions

The Charity operates a defined contribution scheme open to all employees. Contributions are charged to the Statement of Financial Activities as incurred. See Note 29 for further details.

2.14 Corporation tax

As a registered Charity, Wyggeston's Hospital is entitled to tax exemption on all its income and gains, properly applied for its charitable purposes.

2.15 Fund accounting

Permanent endowment funds are funds where the Governors are required to hold capital, mainly represented by investments, and are not entitled to spend them. Income arising from these funds represents unrestricted income. See Note 23 to the financial statements.

Designated funds comprise of General Funds, which have been set aside at the discretion of the Governors for specific purposes. See Note 23 to the financial statements.

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. See Note 23 to the financial statements.

3. Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The items in the financial statements where estimates and judgements have been made include the following:

Critical accounting estimates and assumptions:

- Depreciation policies are selected by the Charity to depreciate the asset over its useful economic life. An assumption is made on the life of each class of asset.
- The value of investment property is based upon a valuation provided by an independent expert, Andrew Granger and Company. This expert holds a recognised and relevant qualification and has a suitable level of experience within the area and with the classes of properties as held by Wyggeston's Hospital Charity. Please see note 17 for the value of investment property as at 31 December 2020. The Trustees have also assessed the need for an impairment of properties held and have confirmed that none was deemed necessary.

WYGGESTON'S HOSPITAL CHARITY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

4. Income from charitable activities

	Unrestricted funds 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Residency charges	1,362,646	1,362,646	1,395,813
Catering	15,923	15,923	13,879
Laundry	1,387	1,387	1,528
Sundry	15,420	15,420	9,674
Total 2020	<u>1,395,376</u>	<u>1,395,376</u>	<u>1,420,894</u>
<i>Total 2019</i>	<u>1,420,894</u>	<u>1,420,894</u>	

5. Investment income

	Unrestricted funds 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Rents receivable	611,368	611,368	615,948
Other estate income	5,215	5,215	11,069
Dividends from UK investments	172,147	172,147	253,002
Dividends from overseas investments	80,889	80,889	88,935
Interest receivable	1,579	1,579	1,767
Total 2020	<u>871,198</u>	<u>871,198</u>	<u>970,721</u>
<i>Total 2019</i>	<u>970,721</u>	<u>970,721</u>	

WYGGESTON'S HOSPITAL CHARITY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

6. Other incoming resources

	Unrestricted funds 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
HMRC Job Retention Scheme	55,746	55,746	-
Leicester City Council grants	59,472	59,472	-
Total 2020	<u>115,218</u>	<u>115,218</u>	<u>-</u>

7. Expenditure on raising funds

Estate expenditure

	Unrestricted funds 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Repairs	32,636	32,636	34,906
Agent's commission	71,174	71,174	77,648
Legal and professional fees	90,675	90,675	79,344
Insurance	18,596	18,596	16,957
Rates	15,426	15,426	5,637
Quincentenary costs	2,500	2,500	200
Total 2020	<u>231,007</u>	<u>231,007</u>	<u>214,692</u>
<i>Total 2019</i>	<u>214,692</u>	<u>214,692</u>	

WYGGESTON'S HOSPITAL CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

8. Analysis of grants

	Grants to Institutions 2020 £	Total funds 2020 £	Total funds 2019 £
Grants for the Relief of Needy Poor	40,040	40,040	40,390
Grants, Wyggeston School Foundation	10,000	10,000	10,000
	<u>50,040</u>	<u>50,040</u>	<u>50,390</u>

The Charity has made the following material grants to institutions during the year:

	2020 £	2019 £
Name of institution		
Wyggeston School Foundation	10,000	10,000
Leicester Charity Link	25,000	25,000
Bridge project	15,000	15,000
Other charitable grants	40	390
	<u>50,040</u>	<u>50,390</u>

9. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2020 £	Restricted funds 2020 £	Endowment funds 2020 £	Total funds 2020 £	Total funds (restated) 2019 £
Hospital	1,971,551	500	10,692	1,982,743	1,821,178
Relief of needy poor	40,040	-	-	40,040	40,390
Wyggeston School Foundation	10,000	-	-	10,000	10,000
Governance	36,743	-	-	36,743	42,380
Total 2020	<u>2,058,334</u>	<u>500</u>	<u>10,692</u>	<u>2,069,526</u>	<u>1,913,948</u>
Total 2019 (restated)	<u>1,889,576</u>	<u>13,680</u>	<u>10,692</u>	<u>1,913,948</u>	

WYGGESTON'S HOSPITAL CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

9. Analysis of expenditure on charitable activities (continued)

Summary by expenditure type

	Staff costs 2020 £	Depreciation 2020 £	Other costs 2020 £	Total funds 2020 £	Total funds (restated) 2019 £
Hospital	1,201,977	176,270	604,496	1,982,743	1,821,178
Relief of needy poor	-	-	40,040	40,040	40,390
Wyggeston School Foundation	-	-	10,000	10,000	10,000
Governance	14,822	-	21,921	36,743	42,380
Total 2020	1,216,799	176,270	676,457	2,069,526	1,913,948
<i>Total 2019 (restated)</i>	<i>1,058,432</i>	<i>182,313</i>	<i>673,203</i>	<i>1,913,948</i>	

10. Analysis of expenditure by activities

	Activities undertaken directly 2020 £	Grant funding of activities 2020 £	Total funds 2020 £	Total funds (restated) 2019 £
Hospital	1,982,743	-	1,982,743	1,821,178
Relief of needy poor	-	40,040	40,040	40,390
Wyggeston School Foundation	-	10,000	10,000	10,000
Governance	36,743	-	36,743	42,380
Total 2020	2,019,486	50,040	2,069,526	1,913,948
<i>Total 2019 (restated)</i>	<i>1,863,558</i>	<i>50,390</i>	<i>1,913,948</i>	

WYGGESTON'S HOSPITAL CHARITY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

10. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Total funds 2020 £	<i>Total funds (restated) 2019 £</i>
Staff costs	1,216,799	1,058,432
Depreciation	176,270	182,313
Other staff costs	18,420	17,610
Repairs, replacements and maintenance	202,401	248,067
Heating, electricity and cleaning	141,991	120,466
Rates and insurance	62,353	53,596
Food and drink	54,086	57,956
Telephone	4,677	3,933
Printing, postage and stationery	28,986	25,428
Residents' entertainment	9,032	21,977
Travelling expenses	8,109	2,908
Subscriptions	11,894	10,718
Sundry expenses	22,988	20,633
Legal and professional fees	31,114	16,440
Audit and accountancy fees	23,619	7,517
Non-audit fees	6,747	12,240
Governors' dinner	-	1,824
Estate visit	-	1,500
Total 2020	2,019,486	1,863,558

WYGGESTON'S HOSPITAL CHARITY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

11. Governance costs

	2020 £	2019 £
Wages and salaries	13,438	13,312
National insurance	873	865
Pension costs	511	506
Audit and accountancy fees	14,174	16,075
Non-audit fees	4,046	4,589
Postage and stationery	3,364	3,478
Governors' dinner	-	1,824
Estate visit	-	1,500
Sundry	337	231
	<u>36,743</u>	<u>42,380</u>

12. Auditor's remuneration

The auditor's remuneration amounts to an auditor fee of £18,070 (2019 - £18,500), and accounts preparation and other services fees of £8,275 (2019 - £10,200).

13. Staff costs

	2020 £	2019 £
Wages and salaries	1,094,325	961,921
Social security costs	82,039	58,310
Contribution to defined contribution pension schemes	40,435	38,201
	<u>1,216,799</u>	<u>1,058,432</u>

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

	2020 No.	2019 No.
Full time employees	7	10
Part time employees	53	49
	<u>60</u>	<u>59</u>

WYGGESTON'S HOSPITAL CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

13. Staff costs (continued)

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2020 No.	2019 No.
In the band £60,001 - £70,000	1	-

The key management personnel of the Charity are the CEO and Care Manager. Their aggregate remuneration including employer's NI and employer's pension contributions totalled £128,881 (2019-£110,246) for the year.

14. Trustees' remuneration and expenses

During the year, one or more Trustees has been paid remuneration or has received other benefits from an employment with the Charity. The value of Trustees' remuneration and other benefits was as follows:

		2020 £	2019 £
Rev'd A R Leighton	Remuneration	30,108	29,513
	Pension contributions paid	2,752	2,698
	Other benefits	2,000	2,000

During the year ended 31 December 2020, expenses totalling £227 were reimbursed or paid directly to 4 Trustees (2019 - £915 to 4 Trustees) for travelling and Governor events.

WYGGESTON'S HOSPITAL CHARITY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

15. Tangible fixed assets

	Freehold property £	Fixtures and fittings £	Assets under construction £	Total £
Cost				
At 1 January 2020	4,201,371	2,965,789	443,216	7,610,376
Additions	11,224	62,880	1,979,196	2,053,300
Transfers between classes	437,754	-	(320,204)	117,550
At 31 December 2020	4,650,349	3,028,669	2,102,208	9,781,226
Depreciation				
At 1 January 2020 (as restated)	1,487,294	2,097,273	-	3,584,567
Charge for the year	52,589	123,681	-	176,270
At 31 December 2020	1,539,883	2,220,954	-	3,760,837
Net book value				
At 31 December 2020	3,110,466	807,715	2,102,208	6,020,389
At 31 December 2019 (as restated)	2,714,077	868,516	443,216	4,025,809

16. Fixed asset investments

	Listed investments £
Valuation	
At 1 January 2020	10,481,661
Additions	2,043,085
Movements in cash held with brokers	202,424
Disposals	(2,300,889)
Net gains on investments	187,115
At 31 December 2020	10,613,396

WYGGESTON'S HOSPITAL CHARITY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

17. Investment property

	Estate Land and Buildings £
Valuation	
At 1 January 2020	33,644,347
Disposal proceeds	(1,463,800)
Loss on disposal	(536,200)
Transfers between classes	(117,550)
At 31 December 2020	31,526,797

It is not practical to disclose the historical cost of the Estate Land and Buildings. This is because the majority of the Land and Buildings were acquired when the Charity was founded over 500 years ago.

The Estates Land and Buildings were formally valued at 31 December 2017 to £29,500,000 by an independent specialist, Andrew Granger and Company. Subsequently a number of additions and disposals have been made, and there was a further £2 million increase in the valuation. The resulting total market value of the Estates Land and Buildings at 31 December 2020 is £31,526,797. The Trustees have concluded that no impairment of estate assets is deemed necessary.

All of the investment properties are located within the United Kingdom.

18. Debtors

	2020 £	2019 (restated) £
Trade debtors	112,378	104,182
Other debtors	6,215	422,088
Prepayments and accrued income	88,148	90,776
	206,741	617,046

WYGGESTON'S HOSPITAL CHARITY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

19. Creditors: Amounts falling due within one year

	2020 £	2019 £
Trade creditors	285,644	207,557
Other taxation and social security	11,050	13,096
MOTO lease premium	48,900	24,697
Other creditors	37,681	35,925
Accruals	131,829	85,876
Deferred income	75,708	55,134
	<u>590,812</u>	<u>422,285</u>

The deferred income relates to estate income received in the period which will be recognised in the following financial year.

In March 2019 Wyggeston's Hospital Charity entered into a 99 year lease with MOTO to develop land owned by the Charity as a Motorway Service Area. The lease premium of £2.5m, less directly attributable costs of £55k, will be released to the SOFA over the duration of the lease and in line with rental payments (see Note 30). These payments begin on the earlier date of: 22 March 2022 or the date on which the property first opens for trade to the general public. The property opened on 30 April 2021.

20. Creditors: Amounts falling due after more than one year

	2020 £	2019 £
MOTO lease premium	<u>2,396,100</u>	<u>2,420,303</u>

Income will be released as follows:

	2020 £	2019 £
Within one year	48,900	24,697
One to two years	48,406	24,697
Two to five years	142,255	74,091
More than five years	2,205,439	2,321,515
	<u>2,445,000</u>	<u>2,445,000</u>

WYGGESTON'S HOSPITAL CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

21. Financial instruments

	2020 £	2019 £
Financial assets		
Financial assets measured at fair value through income and expenditure	10,613,396	10,481,661

Financial assets measured at fair value through income and expenditure comprise listed investments.

22. Prior year adjustments

During the preparation of the financial statements the following adjustments had been identified:

1. In 2018 a listed investment was deemed to have been disposed out of Endowed investments and recognised as a loss in the Statement of financial activities, but instead had been transferred into a directly held fund. This fund was then disposed of in 2019. As a result, a prior year adjustment has been recognised to correct the original disposal and the subsequent sale of the investment. The net impact is as follows:

Endowment funds brought forward at 1 January 2019 have increased by £427,507.
2019 year end other debtors increased by £415,390.
2019 net gains on investments reduced by £12,117.

2. Depreciation had been applied since 2015 to certain land owned by the charity. The impact of this adjustment is as follows:

Unrestricted funds brought forward at 1 January 2019 have increased by £101,300.
Fixed asset depreciation brought forward at 1 January 2019 has reduced by £101,300.
2019 depreciation expense has reduced by £25,325.
2019 balance sheet depreciation charge has reduced by £25,325.

3. A restricted donation from the Duchy of Lancaster toward the Founders Day was originally recognised within unrestricted income and expenditure in 2019. The comparative statement of funds in note 23 has been restated. There is no impact on the funds position.

Reconciliation of Reserves:

	At 1 Jan 2018 £	At 31 Dec 2018 £	At 31 Dec 2019 £
Endowment funds (as previously stated)	38,296,835	39,279,512	40,464,561
Recognise directly held investment	-	427,507	427,507
Loss on disposal of directly held investment	-	-	(12,117)
Endowment funds (as restated)	38,296,835	39,707,019	40,879,951
Unrestricted funds (as previously stated)	5,637,055	5,905,319	6,168,007
Remove depreciation (cumulative)	75,975	101,300	126,625
Unrestricted funds (as restated)	5,713,030	6,006,619	6,294,632

WYGGESTON'S HOSPITAL CHARITY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

23. Statement of funds

Statement of funds - current year

	Balance at 1 January 2020 (restated) £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2020 £
Unrestricted funds						
Designated funds						
Agnes House	579,563	-	(27,133)	-	-	552,430
Conservatory	99,537	-	(4,977)	-	-	94,560
Extraordinary Repair Fund	1,200,276	-	-	100,000	-	1,300,276
Cyclical Maintenance Fund	500,123	-	(75,908)	75,000	-	499,215
Pension Fund	100,000	-	-	-	-	100,000
	<u>2,479,499</u>	<u>-</u>	<u>(108,018)</u>	<u>175,000</u>	<u>-</u>	<u>2,546,481</u>
General funds						
General Funds	<u>3,815,133</u>	<u>2,383,848</u>	<u>(2,181,323)</u>	<u>(1,586,330)</u>	<u>-</u>	<u>2,431,328</u>
Total Unrestricted funds	<u>6,294,632</u>	<u>2,383,848</u>	<u>(2,289,341)</u>	<u>(1,411,330)</u>	<u>-</u>	<u>4,977,809</u>
Endowment funds						
Permanent Endowment	<u>40,879,951</u>	<u>-</u>	<u>(66,072)</u>	<u>1,411,330</u>	<u>(349,085)</u>	<u>41,876,124</u>
Restricted funds						
Legacies	3,320	-	-	-	-	3,320
Founders Day	-	500	(500)	-	-	-
Total Restricted funds	<u>3,320</u>	<u>500</u>	<u>(500)</u>	<u>-</u>	<u>-</u>	<u>3,320</u>
Total of funds	<u>47,177,903</u>	<u>2,384,348</u>	<u>(2,355,913)</u>	<u>-</u>	<u>(349,085)</u>	<u>46,857,253</u>

WYGGESTON'S HOSPITAL CHARITY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

23. Statement of funds (continued)

Statement of funds - prior year (restated)

	Balance at 1 January 2019 £	Income £	Expenditure £	Transfers in/out £	Gains £	Balance at 31 December 2019 £
Designated funds						
Agnes House	606,873	-	(27,310)	-	-	579,563
Conservatory	104,514	-	(4,977)	-	-	99,537
Extraordinary Repair Fund	1,100,276	-	-	100,000	-	1,200,276
Cyclical Maintenance Fund	523,298	-	(98,175)	75,000	-	500,123
Pension Fund	100,000	-	-	-	-	100,000
	<u>2,434,961</u>	<u>-</u>	<u>(130,462)</u>	<u>175,000</u>	<u>-</u>	<u>2,479,499</u>
General funds						
General Funds	<u>3,571,658</u>	<u>2,392,281</u>	<u>(1,973,806)</u>	<u>(175,000)</u>	<u>-</u>	<u>3,815,133</u>
Total Unrestricted funds	<u>6,006,619</u>	<u>2,392,281</u>	<u>(2,104,268)</u>	<u>-</u>	<u>-</u>	<u>6,294,632</u>
Endowment funds						
Permanent Endowment	<u>39,707,019</u>	<u>-</u>	<u>(56,655)</u>	<u>-</u>	<u>1,229,587</u>	<u>40,879,951</u>
Restricted funds						
Legacies	16,500	-	(13,180)	-	-	3,320
Founders Day	-	500	(500)	-	-	-
Total Restricted funds	<u>16,500</u>	<u>500</u>	<u>(13,680)</u>	<u>-</u>	<u>-</u>	<u>3,320</u>
Total of funds	<u>45,730,138</u>	<u>2,392,781</u>	<u>(2,174,603)</u>	<u>-</u>	<u>1,229,587</u>	<u>47,177,903</u>

WYGGESTON'S HOSPITAL CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

23. Statement of funds - prior year (continued)

Designated Funds represent:

i) The cost of building Agnes House, shower room conversion and the conservatory less accumulated depreciation. Each year there is expenditure from Designated Funds to cover the relevant annual depreciation charge. The value of the depreciation charge for a year is (2% x £1,356,650) £27,133 for Agnes House, (2% x £8,821) £176 for the shower room and a charge of (2.5% x £199,077) £4,977 for the conservatory, totalling £32,110 (2019: £32,287).

ii) Clause 26 of the Charity Scheme requires the Governors to transfer funds to an Extraordinary Repair Fund on an annual basis, A total of £100,000 was transferred to the Extraordinary Repair Fund from the General Fund during the year (2019: £100,000). No expenditure was spent from this designated fund during the year.

iii) Repairs and maintenance work undertaken during the year which was funded from the Cyclical Maintenance Fund totalled £75,908 (2019: £98,175), A total of £75,000 was transferred to the Cyclical Maintenance Fund during the year (2019: £75,000).

iv) The Pension Fund has been created to represent the real and potential liabilities which may be incurred due to the membership of employees of Wyggeston's Hospital Charity with The Pensions Trust Growth Plan scheme. The Governors have retained £100,000 within this fund in the year, See Note 29 for further details.

Restricted funds represents:

i) Legacies- a legacy from the residuary estate of the late Mrs J M Haines and has been restricted for the staff and residents of Wyggeston's Hospital. Other legacies are also received by the Charity and are also restricted for the staff and residents of Wyggeston's Hospital; and

ii) Founders Day- A donation made by the Duchy of Lancaster to be used towards the costs of Founders Day.

A transfer of £1,411,330 has been made into the Endowment fund, out of Unrestricted funds during the year. This has been recorded in order to update the closing position following a reconciliation of the assets held in the Endowment fund.

WYGGESTON'S HOSPITAL CHARITY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

24. Analysis of net assets between funds

Analysis of net assets between funds - current period

	<i>Unrestricted funds 2020 £</i>	<i>Restricted funds 2020 £</i>	<i>Endowment funds 2020 £</i>	<i>Total funds 2020 £</i>
Tangible fixed assets	5,687,068	-	333,321	6,020,389
Fixed asset investments	-	-	10,613,396	10,613,396
Investment property	2,729,113	-	28,797,684	31,526,797
Current assets	(451,460)	3,320	2,131,723	1,683,583
Creditors due within one year	(590,812)	-	-	(590,812)
Creditors due in more than one year	(2,396,100)	-	-	(2,396,100)
Total	4,977,809	3,320	41,876,124	46,857,253

Analysis of net assets between funds - prior period (as restated)

	<i>Unrestricted funds 2019 £</i>	<i>Restricted funds 2019 £</i>	<i>Endowment funds 2019 £</i>	<i>Total funds 2019 £</i>
Tangible fixed assets	3,681,796	-	344,013	4,025,809
Fixed asset investments	-	-	10,481,661	10,481,661
Investment property	4,257,993	-	29,386,354	33,644,347
Current assets	1,197,431	3,320	667,923	1,868,674
Creditors due within one year	(422,285)	-	-	(422,285)
Creditors due in more than one year	(2,420,303)	-	-	(2,420,303)
Total	6,294,632	3,320	40,879,951	47,177,903

WYGGESTON'S HOSPITAL CHARITY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

25. Reconciliation of net movement in funds to net cash flow from operating activities

	2020 £	2019 (restated) £
Net income/expenditure for the period (as per Statement of Financial Activities)	(320,650)	1,447,765
Adjustments for:		
Depreciation charges	176,270	182,312
Net losses/(gains) on investment assets	349,085	(1,229,587)
Dividends, interests and rents from investments	(871,198)	(943,653)
(Increase) in debtors	(5,085)	(63,307)
Increase/(decrease) in creditors	(11,853)	2,595,660
Net cash (used in) / provided by operating activities	(683,431)	1,989,190

26. Analysis of cash and cash equivalents

	2020 £	2019 £
Cash at bank and in hand	1,476,842	1,251,628
Cash with investment brokers	-	65,019
Total cash and cash equivalents	1,476,842	1,316,647

As a matter of both general policy and practice, any cash held by investment brokers is retained by them for re-investment purposes and not returned to the Charity. Accordingly, cash held by investment brokers is now included within listed investments and is no longer classified as cash equivalents.

27. Analysis of changes in net funds

	At 1 January 2020 £	Cash flows £	At 31 December 2020 £
Cash at bank and in hand	1,251,628	225,214	1,476,842

WYGGESTON'S HOSPITAL CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

28. Capital commitments

At the year-end the following was authorised and contracted for by the Charity, but not yet completed £1,576,881 (2019: £187,340).

29. Pension commitments

Employees of Wyggeston's Hospital Charity are entitled to membership of The Pension Trust Growth Plan ("the Plan"). This is a multi-employer pension plan which in most respects is a money purchase arrangement, although it does include certain guarantee elements as described below.

Contributions paid into the Plan up to and including September 2001 were converted to defined amounts of pension payable from normal retirement dates. From October 2001 contributions were invested in personal funds which have a capital guarantee and which are converted to pension on retirement, either within the Plan or by the purchase of an annuity.

The rules of the Plan give the Trustee the power to require employers to pay additional contributions in order to ensure that the statutory funding objective under the Pensions Act 2004 is met. The statutory funding objective is that a pension scheme should have sufficient assets to meet its past service liabilities, known as Technical Provisions.

The scheme is classified as a 'last-man standing arrangement'. Therefore the Charity is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

The latest formal valuation of the Plan at 30 September 2017 was performed by a professionally qualified Actuary using the Projected Unit Method. The market value of the Plan's assets at the valuation date was £795 million and the Plan's Technical Provisions (i.e. past service liabilities) were £926 million. The valuation therefore revealed a shortfall of assets compared with the value of liabilities of £132 million.

Wyggeston's Hospital Charity paid contributions totalling £40,435 (2019: £38,201) during the accounting year. The Plan Trustee has indicated that Additional contributions of £5,118 (2019: £4,969) will be required by Wyggeston's Hospital Charity from 1 April 2019.

Where the scheme is in deficit and where the Charity has agreed to a deficit funding arrangement the Charity recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using an appropriate discount rate of 0.27% (2019: 1.13%). The unwinding of the discount rate is recognised as a finance cost.

The Pension Fund (as shown within note 23) has been created to represent the real and potential liabilities which may be incurred due to the membership of employees of Wyggeston's Hospital Charity with the Pensions Trust Growth Plan scheme. The Governors have retained £100,000 within this fund in the year.

WYGGESTON'S HOSPITAL CHARITY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

Pension commitments (continued)

	2020	2019
	£	£
Provision at 1 January 2020	18,560	21,488
Unwinding of the discount factor	189	342
Deficit contributions paid	(3,535)	(3,555)
Re-measurements - impact of any changes in assumptions	266	285
Re-measurements - amendments to the contribution schedule	-	-
Provision at 31 December 2020	15,480	18,560

30. Operating lease commitments

At 31 December 2020 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2020	2019
	£	£
Not later than 1 year	-	948

Operating lease commitments (continued)

In March 2019 Wyggeston's Hospital Charity entered into a 99 year lease with MOTO to develop land owned by the Charity as a Motorway Service Area. The annual rentals of £169,566 will begin on the earlier date of: 22 March 2022 or the date on which the property first opens for trade to the general public. The property opened on 30 April 2021.

At 31 December 2020 the Charity had future minimum lease receipts due under operating lease agreements as follows:

	2020	2019
	£	£
Later than 1 year and not later than 5 years	113,044	-
Later than 1 year and note later than 5 years	678,264	621,742
Later than 5 years	15,995,726	16,165,292
	16,787,034	16,787,034

WYGGESTON'S HOSPITAL CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

31. Related party transactions

Wyggeston School Foundation is a related party by virtue of Trustees; J K McLauchlan, W G Ginns and the Rev A R Leighton, in common. During the year a grant of £10,000 (2019: £10,000) was awarded by Wyggeston's Hospital Charity to Wyggeston School Foundation. £Nil was outstanding at the year end (2019: £10,000).

