

Charity number: 219318

The French Hospital

Trustees' Report and Financial Statements

for the year ended 30 June 2021

The French Hospital

Contents

	Page
Reference and administrative details of the Charity, its Trustees and advisers	1 - 3
Trustees' report	4 - 12
Independent auditor's report on the financial statements	13 - 16
Statement of financial activities	17
Balance sheet	18
Statement of cash flows	19
Notes to the financial statements	20 - 39

The French Hospital

Reference and Administrative Details of the Charity, its Trustees and Advisers for the year ended 30 June 2021

Governor	The Rt Revd and Rt Hon Lord Chartres KCVO DD FSA
Directors (Trustees)	L J Du Cane, Deputy Governor G R Rubython, Treasurer E C A Martineau, Secretary C E M Martineau, Quarterly Committee Chairman J O Cash P J Duval Emma, Lady Monson Mrs P C Ouvry-Johns A J Gillett Dr G Fargher N B Ruth E C P Lefroy
Directors (non-Trustees)	J G Ouvry J P A Ouvry C K Cash J C B South J G Lefroy C Duval R W Place E L Darwin (deceased 17 December 2020) The 9th Earl of Radnor The Very Rev, H E C Stapleton Wing Commander D V Duval A J Houssemayne de Boulay Mrs E L Willis (resigned 28 January 2021) Mrs E S Leonard Mrs J S Darwin Mrs L McCarraher Ms C E South Dr T V Murdoch Mrs T A Letheren A E Duval Mrs P J Hoffmann-Becking R C Garnier C P D Grellier D I Beeby H L Mallalieu C A M Boileau
Honorary Director	Duke of Buccleuch and Queensberry, KT, KBE

The French Hospital

Reference and Administrative Details of the Charity, its Trustees and Advisers (continued) for the year ended 30 June 2021

Charity registered number	219318
Principal office	41 La Providence Rochester Kent ME1 1NB
Independent auditor	Kreston Reeves LLP Chartered Accountants Statutory Auditor Montague Place Quayside Chatham Maritime Chatham Kent ME4 4QU
Bankers	<p>The CAF Bank 25 Kings Hill Avenue Kings Hill West Malling ME19 4TA</p> <p>Lloyds TSB Week Street Maidstone ME14 1RW</p> <p>CCLA Investment Management Limited 80 Cheapside London EC2V 6DZ</p>
Solicitors	Bates Wells & Braithwaite London LLP 10 Queen Street Place London EC4R 1BE
Chartered Building Surveyor	J A Warner Ltd The Joiners Shop The Historic Dockyard Chatham Kent ME4 4TZ

The French Hospital

Reference and Administrative Details of the Charity, its Trustees and Advisers (continued) for the year ended 30 June 2021

Clerk to the Trustees	I W Mackenzie (retired 22 August 2021) C H Parker (appointed 23 August 2021)
------------------------------	---

Chaplain	Rev A Lawal
-----------------	-------------

Steward	J Corrigan
----------------	------------

Investment Manager	Ruffer LLP 80 Victoria Street London SW1E 5JL
---------------------------	--

Investment Manager	Brewin Dolphin Ltd 12 Smithfield Street London EC1A 9BD
---------------------------	--

Head of Engagement and Deputy Clerk	Mrs N Tegg
--	------------

The French Hospital

Trustees' Report for the year ended 30 June 2021

The Trustees present their annual report together with the audited financial statements of the Charity for the year from 1 July 2020 to 30 June 2021.

Objectives and activities

a. Policies and objectives

The objects of the Corporation are, for the public benefit:

- (i) the relief of poverty or any other charitable need by the provision of housing accommodation for Beneficiaries;
- (ii) such charitable purposes for the benefit of Beneficiaries as the Governor and Directors decide; and
- (iii) to advance education by the preservation and display of items connected with the history of the French Protestant community (Huguenots) in England from the sixteenth century onwards, in particular through the establishment, support and maintenance of:
 - (i) a library and archive (including genealogical records related to the Hospital); and
 - (ii) a museum or gallery.

Beneficiaries means any person resident in Great Britain who is in need of assistance due to age, ill health or financial need or other misfortune giving rise to a charitable need.

Primary Beneficiaries shall be "such persons being Our Subjects as the said Governor and Directors shall be reasonably satisfied are French Protestants (Huguenots) or their descendants or the spouse, relict or civil partner of any such person (irrespective of whether or not such spouse, relict or civil partner is themselves a French Protestant (Huguenot) or a descendent thereof) and is in need of assistance due to age, ill health, financial need or other misfortune giving rise to a charitable need".

Relief of need is given by the provision of sheltered almshouse accommodation, for which residents' contributions are charged.

The Charity's aim is to provide quality almshouse accommodation that enables independent living, encourages involvement in the wider community and actively reduces loneliness and isolation.

The Trustees have complied with their duty under Part 4, Chapter 1 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission. They have considered this guidance in deciding what activities the Charity should undertake, and they are satisfied that the Charity confers a public benefit. They have followed this guidance both when reviewing the Charity's policies and objectives for the year, and when planning for the future.

Achievements and performance

a. Review of activities

Core activities

The Charity has continued to maintain 59 self-contained, sheltered flats, of which 57 (2020: 56) are available to residents, with ancillary services at La Providence, Rochester, Kent. An average of 57 residents were provided with accommodation during the year.

Repairs and maintenance expenditure at La Providence amounted to £93,690 in the year (2020: £67,998). Income from listed investments decreased to £76,780 from the previous year's figure of £82,574. There was an overall surplus, before transfers and investment gains and losses in the year of £47,573 (2020: surplus of £135,018). Donations and legacies income received in the year amounted to £25,487 (2020: £38,232). Following the revaluation of investment assets, the Charity made a surplus of £622,083 (2020: £71,674). Total reserves, at 30 June 2021, were £5,712,130 (2020: £5,090,047).

The French Hospital

Trustees' Report (continued) for the year ended 30 June 2021

Achievements and performance (continued)

Huguenot Museum

The Huguenot Museum leases from The French Hospital at a commercial rent those parts of No 95 High Street that it occupies. The Museum is paid by The French Hospital for its management of the Hospital's collections and archives.

b. Investment policy and performance

The Trustees have updated and approved the Charity's Investment Policy, in accordance with the Charity Commission's guidance (CC14). The performance and suitability of the Charity's investments are reviewed by the Trustees at all meetings of the Court. The principal objective for the Trustees is to invest in funds to maximise total return without placing at undue risk the capital value of the investments. The Trustees have liquidated funds invested with Ruffer LLP and will, instead, be investing with Cazenove Capital. Other funds remain invested with Brewin Dolphin Ltd. Under its Royal Charter the Charity has the power to make any investment that the Trustees see fit.

The value of the investment portfolio increased in value by 23.5% during the financial year, which was mainly due to investment additions exceeding investment disposals by £577,474 in the period.

Financial review

a. Going concern

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

b. Reserves policy

The Trustees have a commitment to maintain the Charity's properties in good condition, to apply the Charity's income for the benefit of the residents, and to consider reasonable requests under grant-making provisions.

The major part of the Charity's reserve funds is held within its commercial property and investment portfolios.

Income from these portfolios is required to support the Charity's almshouse operations. The Trustees aim to increase the Charity's reserves to a level at which these reserves can provide, first, income support for the Charity's core operations, secondly, funding for foreseeable future maintenance costs (most notably the quinquennial redecoration, repair / replacement of lifts, and the modernisation of heating / hot water systems), and, thirdly, capital support for the Charity's development projects.

At the Balance Sheet date the Charity holds free reserves amounting to £85,529.

The French Hospital

Trustees' Report (continued) for the year ended 30 June 2021

Structure, governance and management

a. Constitution

A Royal Charter granted by His Majesty King George I on 24 July 1718, as amended by a Supplemental Royal Charter granted by Her Majesty Queen Elizabeth II on 9 September 1953 incorporates the French Hospital. Her Majesty Queen Elizabeth II granted a further Supplemental Royal Charter to The Governor and Directors of the Hospital for Poor French Protestants and their Descendants residing in Great Britain on 26 August 2015. This Supplemental Royal Charter replaces and revokes the earlier Charters in all respects, except insofar as the Original Charter incorporates the Governor and Directors as one body corporate as the Corporation and confers upon it perpetual succession and a Common Seal.

The official title of the Charity is 'The Governor and Directors of The Hospital for Poor French Protestants and their Descendants Residing in Great Britain'.

A Director who is a member of the Quarterly Committee is a Trustee of the Corporation. A Director who is not a member of the Quarterly Committee is known as a Non-Trustee Director and is not a Trustee of the Corporation.

Honorary Directors are not Trustees (Trustee Directors) or Non-Trustee Directors. The Duke of Buccleuch and Queensberry, KT, KBE is currently the only Honorary Director.

b. Methods of appointment or election of Trustees

The management of the Charity is the responsibility of the Trustees, who are elected under the terms of the Royal Charters.

The Trustees have assessed the necessary and desirable skills, attributes and experience that they consider should be available to the Charity in order to enable it most effectively to fulfil its objects. Where deficiencies in skills and experience have been identified among the existing Trustees, the Trustees are actively seeking to address such deficiencies. Consideration is also being given to succession planning, with particular regard to the offices of Deputy Governor, Treasurer and Secretary.

An individual proposed as a trustee is subjected to a thorough selection and interview process to ensure that his/her appointment as a trustee will strengthen the overall composition and balance of the Trustee Body.

Directors are only considered for nomination / re-nomination to the Quarterly Committee if they have attended more than 50% of the Quarterly Committee meetings in the twelve months prior to the 30th June immediately preceding such consideration or in the twelve months since her or his initial election as a Director, and if they have been considered by the Quarterly Committee to have been actively and positively engaged in the affairs of the Corporation.

c. Organisational structure and decision-making policies

The number of trustees constituting the Charity in addition to the Governor and Deputy Governor shall be not less than 10 and not more than 50. At 30 June 2021, there were 12 trustees (2020: 11). All meetings of the Charity are known as Courts. Four General Courts are held in every year, normally in the months of January, April, July and October. At every General Court eight trustees or more shall be nominated as a Quarterly Committee, which meets to conduct the current business of the Charity. A Court may at any time appoint other Committees for special purposes.

The tasks of the day to day running of The French Hospital, the maintenance of its premises, and the management of the Charity's other employees are delegated to the Clerk, who reports to the Trustees.

Staff are involved in major decision-making and policy formulation wherever necessary.

The French Hospital

Trustees' Report (continued) for the year ended 30 June 2021

Structure, governance and management (continued)

d. Policies adopted for the induction and training of Trustees

The Trustees are given an induction pack upon appointment; this pack includes, inter alia, a copy of both the Charity's by-laws, and the Charity Commission's guidance publication, *The Essential Trustee: what you need to know* (CC3). Training is given as and when it is deemed to be appropriate and required for the Charity's needs.

Quarterly Committee and Sub-group members are offered the opportunity to attend training on their legal responsibilities, on an annual basis.

e. Pay policy for key management personnel

Pay will be benchmarked with similar organisations, prior to the engagement of senior staff. Senior staff may be paid for hours worked in excess of contracted hours, with agreement from the Quarterly Committee. Salaries are reviewed on an annual basis.

f. Risk management

The Trustees have a duty to identify, assess and regularly review the risks to which the Hospital is exposed, in particular those related to its operations and finances. The Trustees need to ensure that appropriate controls are in place to provide reasonable assurance against fraud and error. During the year ended 30 June 2021 the Trustees have identified and assessed the major risks to which the Hospital is exposed. They are satisfied that the Hospital has systems and procedures in place, which should, under normal circumstances, mitigate exposure to major risks to an acceptable level. In respect of Health and Safety the Hospital seeks to ensure that the Charity's position and policies comply with BS OHSAS 18001.

The Hospital's collection of records and artefacts are of both historical interest and intrinsic value. To manage the risk of their loss or destruction, these records and artefacts are held and conserved by Huguenot Heritage Centre (known as the Huguenot Museum) where they are available for public view within certain limitations. A formal document, signed by both parties, governs the basis on which the Collections are stored, displayed and managed by the Museum. Trustees aim to verify the inventory of the Hospital's collection annually.

The French Hospital

Trustees' Report (continued) for the year ended 30 June 2021

Structure, governance and management (continued)

g. Governance

The Charity seeks to follow the principles and recommended practice for good governance, contained in the Charity Governance Code for Smaller Charities. Following the issue of an updated Code in late 2020, the Trustees reviewed Governance procedures / practice, in January 2021. They gave particular consideration to the more heavily amended Principles within the Code; specifically, Principle 3 - Integrity (values, ethics and culture) and Principle 6 - Diversity (Equality, Diversity and Inclusion) and in doing so, reviewed the Charity's Policies on Safeguarding and Equality and Diversity. The Trustees were satisfied that the Charity's policies, practices and culture fully embraced guidance contained in the undated Charity Governance Code.

To ensure that the governance of the Charity is conducted by individuals with a good and current knowledge of the Charity's affairs, membership of the Quarterly Committee and trustee status is, except in extenuating circumstances, only accorded to those Directors who have attended at least half of the Quarterly Committee meetings held during the preceding year and who have been actively and positively engaged in the affairs of the Corporation.

Trustees engage in a self-appraisal process on a regular basis. Updated Job Descriptions are in place for Directors and Officers. Subgroups reporting to the Quarterly Committee are regularly reviewed and Terms of Reference are in place for them. The Selection process for recruiting new Directors has been reviewed. Recruiting is based on the skills need of the Directorate.

A comprehensive Risk Register is in place, covering all aspects of the Charity's business, and is reviewed regularly by the Governance Subgroup, most recently in January 2021 when new sections were also added, to deal with Fundraising and Covid-19 Risks. Issues are brought to the Quarterly Committee of Trustees, as necessary.

A detailed Forward Plan exists for the Hospital. It is reviewed and agreed by the Trustees periodically. It informs the Trustees' business decisions now and will continue to do so in the future.

The Charity's Policies are regularly reviewed and updated. GDPR, Fundraising and Privacy Policies are in place and up to date. A new and recently endorsed (12 December 2020) Employee Handbook included policies on Communications, Grievance and Discipline, Maternity and Adoption, Parental and Paternity Leave, Sickness and Absence, Redundancy and Retirement.

The French Hospital

Trustees' Report (continued) for the year ended 30 June 2021

Plans for future periods

Improvement of almshouse facilities

The Charity continues to upgrade its almshouse facilities. In order to support this work and thereby further the Charity's objects, it continues to identify and develop sources of funding that might support future projects.

Engagement with the public and other organisations, in order to encourage support as well as to develop beneficial relationships for the Charity and its Residents, remains a priority. Plans for activities to engage local businesses and residents have been on hold during the Pandemic, but we are hopeful that we will be able to fully re-engage in 2022. Despite the limitations on personal contact, we continue to engage with our "Friends" supporter base. We are now looking at opportunities to raise our profile and engage with supporters by active in concert with other Charities with which we are aligned in one way or another.

The majority of No 95 High Street, Rochester, is occupied by commercial tenants of The French Hospital, namely Medway Council and the Huguenot Museum. An element of this property remains unoccupied but is used to generate funds from short-term lettings. It is also used to support activities that benefit the Charity's beneficiaries.

As a part of the forward planning process, Trustees continue to review options for the longer-term use of 95 High Street as a whole, and of elements of the space within it.

Income from contributions

Contributions are reviewed annually and increased in line with the CPIH index. An updated scale of charges applies to those who have taken up accommodation at La Providence from 31st May 2020. This updated scale allows the Charity to make best use of LHA monies available to those Residents with greater financial needs. Around 25% of flats now attract the new contribution rates.

Information on fundraising practices

The French Hospital complies with Charity Commission guidance and UK fundraising law and seeks to deal with its supporters and members of the public with openness and honesty. The Charity is signed up to the Fundraising Regulator's Code of Fundraising Practice and the Head of Engagement / Deputy Clerk is a Member of the Institute of Fundraising.

The Charity's fundraising policy incorporates regulations set out in the Code of Fundraising Practice, which help to ensure that organisations raising money for charity from the public do so honestly and properly. All personal data is collected and held in compliance with current Data Protection legislation and in accordance with the Charity's Data Protection and Privacy Policies. The Charity's fundraising does not subject vulnerable people and others to unreasonable intrusion on a person's privacy, unreasonably persistent approaches or undue pressure to give.

The French Hospital employs a full-time, in-house Head of Engagement and Deputy Clerk who leads on fundraising matters, including compliance, for the Charity. The French Hospital monitors the fundraising activities carried out on its behalf in a variety of ways – through regular Fundraising Updates to Trustees, an Engagement Subgroup comprised of both staff and Trustees, and regular meetings between the Clerk and the Head of Engagement and Deputy Clerk. The Charity is not aware of any failure to comply with the standards cited during the 2020/21 Financial Year and received zero fundraising complaints during the 2020/21 Financial Year.

The French Hospital

Trustees' Report (continued) for the year ended 30 June 2021

Plans for future periods (continued)

Fundraising impact

The Charity wishes to thank all key donors, as well as the Friends of The French Hospital, for their ongoing support. Since receiving a number of generous donations in the past financial year, we have continued to work to improve the quality of life of the Residents. The pandemic has had a huge impact on them in very many ways. For many, there has not been support from family and friends nearby, and with the necessary cessation of communal activities at La Providence, our concern has very much been about anxiety, loneliness and isolation.

Activities, including Tai-chi, fitness and crafting have resumed providing much needed human interaction. A number of Residents have taken up gardening to improve their physical and mental wellbeing during the lockdown and funding for a Gardening Project has been received from 'Involving Medway', through the Kent Community Foundation.

A donation from the Charles Skey Trust has enabled the creation of a Deputy Steward's working area and additional communal space in our headquarter building. This has been an aspiration for some considerable time and brings with it significant benefits to the Residents. In the words of one of our Deputy Steward's, Karen:

"Having a dedicated workspace means that Residents can come and see us confidentially if they need support. It allows us to signpost help that they may need, from health and welfare concerns to housing benefit advice, and also allows us to operate more effectively when on our 24-hour duties. I think that our 24/7 on-call service has proved invaluable during the pandemic, giving added reassurance to our Residents that someone is there if needed".

The creation of a dedicated workspace has also meant that we are able to refurbish an additional flat which will become home for another worthy beneficiary. The number of applications for accommodation has increased during the pandemic and so we are delighted to have been able to increase our capacity in this way. We are reminded often that living at The French Hospital means such a great deal to incoming Residents – it can be life changing. We can see this for ourselves, but our Residents also frequently remind us. Dany, 73, who has moved in recently, said:

"I love living at The French Hospital. I feel safe and secure here and enjoy being part of a community. I am well supported, and it is very reassuring to know that there is someone there if I need anything. I love my Flat and all that it gives me, but I am also now very much looking forward to being able to mix with others more freely again. It is good to have company."

Our experience of the pandemic has reinforced two things in particular, for us. Firstly, the benefits of having a close, mutually supporting community from which all members derive a great deal of strength and reassurance during times of difficulty; and, secondly, the importance of having dedicated, compassionate staff on hand to offer support to all Residents whenever it is needed. Our Residents live here independently, but there is no doubt in our minds that the sort of support which is available to them from us enables them to do that safely and with confidence for longer than otherwise might be the case.

In addition to continuing to make efforts to improve our estate, a priority for us over the short to medium term will be the funding of activities, facilities and staffing levels that are likely to improve the health and well-being of our Residents – and to give them opportunities to grow even stronger as a community. The fitness class is the latest activity to commence, run by a fully trained Physical Trainer who works specifically to the needs of each individual participant. We all know that exercise in the over 60's is highly beneficial:

"Older people who exercise tend to have improved immune and digestive functioning, better blood pressure and bone density, and a lower risk of Alzheimer's disease, diabetes, obesity, heart disease, osteoporosis, and certain cancers. Recent evidence also suggests that it can also reduce the risks of falling in older adults". (NHS 2021)

Funding for this and the relevant equipment was received from Kent Reliance, through the Kent Community Foundation.

The French Hospital

Trustees' Report (continued) for the year ended 30 June 2021

Covid-19

From the start of the Pandemic, the Charity has stepped forward to engage proactively and positively with the Residents (Beneficiaries), in order to inform, support, reassure and protect them. We have worked with them, both individually and through the Residents' Committee, to agree and ensure compliance with rules that have been put in place in the best interests of all. This approach has been both effective and well received.

We have suffered a small number of casualties from the Virus, but we have avoided its spread internally. All but one of our Residents has now been vaccinated and, as we begin to relax our rules and to encourage the resumption of our own community activities, whilst also remaining vigilant and continuing to take sensible precautions, our Residents are becoming less anxious and more optimistic about the future.

We remain cautious when it comes to allowing "outsiders" into our community's spaces and we are very conscious of the long term mental and physical effects that might be felt by some in our community. We continue to engage closely with them and their families, to offer support where it is appropriate to do so, and to signpost them to others, or others to them. Creating opportunities for them to engage with others, physically and / or intellectually, in order to minimise the possibility of loneliness and isolation, is a priority for us, and provides a focus for current fundraising activity.

We have expanded our Risk Register to incorporate a Covid-19 risk Section and this has been reviewed by the Trustees who have remained fully engaged in, and informed of, all matters relating to the Pandemic over the period.

Coronavirus has presented potentially significant financial challenges to The French Hospital, with threats to income from investments (commercial premises and managed funds) as well as threats to income from Flats. With this in mind, in our budget for the Year, we had anticipated the very real possibility of having to fund revenue deficits from reserves, at a time when we may also have seen an increase in the demand for the relief of need.

But the Accounts for FY 20-21 show that the Charity is again in a strong position in relation to its budget for the year despite a relatively high turnover of Residents, and that cash reserves are held at a healthy level, in line with the Reserves Policy. We recognise, though, that the threat has not gone away, and the budget for the Financial

Year 2021-22, whilst not being as conservative as the previous year's budget, makes provision for this.

In order that they may remain fully engaged in Charity matters, the Trustees have continued to meet throughout the Pandemic, albeit largely in virtual form. From the point of view of both direction and management of the Charity, therefore, business has continued as usual. As a result of a recent formal review, meetings of the Quarterly Committee and Subgroups in the future will allow for the virtual attendance of Directors as a matter of course. But, driven by the importance of working well as a Trustee body, and of knowing the Beneficiaries, as well as fully understanding their needs, the Trustees are determined to maximise future opportunities for meeting together in person, and also for engaging in person with the Residents.

The French Hospital

Trustees' Report (continued) for the year ended 30 June 2021

Statement of Trustees' responsibilities

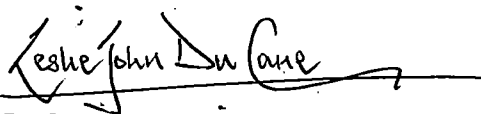
The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Royal Charter. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the Board of Trustees on 9 October 2021 and signed on their behalf by:



L J Du Cane
Deputy Governor

The French Hospital

Independent Auditor's Report to the Members of The French Hospital

Opinion

We have audited the financial statements of The French Hospital (the 'Charity') for the year ended 30 June 2021 which comprise the Statement of Financial Activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

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

In our opinion the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 30 June 2021 and of its income 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.

The French Hospital

Independent Auditor's Report to the Members of The French Hospital (continued)

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditor's report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

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

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

The French Hospital

Independent Auditor's Report to the Members of The French Hospital (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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Capability of the audit in detecting irregularities, including fraud

Based on our understanding of the Charity and the sector as a whole, and through discussion with the Trustees and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to health and safety, anti-bribery and employment law. We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities SORP (FRS 102) Second Edition (released October 2019), and other relevant charity legislation. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. We evaluated Trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principle risks related to: posting inappropriate journal entries to increase revenue or reduce expenditure; and management bias in accounting estimates and judgemental areas of the financial statements. Audit procedures performed by the engagement team included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations (including health and safety) and fraud; and
- Assessment of identified fraud risk factors; and
- Review of cash expenditure to confirm no evidence of personal benefit; and
- Challenging assumptions and judgements made by management in its significant accounting estimates; and
- Performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Reading minutes of meetings of those charged with governance; and
- Physical inspection of tangible assets susceptible to fraud or irregularity; and
- Review of significant and unusual transactions; and
- Identifying and testing journal entries, in particular any manual entries made at the year end for financial statement preparation.

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

The French Hospital

Independent Auditor's Report to the Members of The French Hospital (continued)

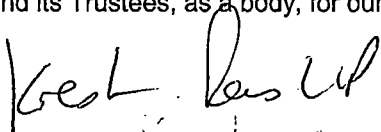
As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the Charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in my Auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of my Auditor's report. However, future events or conditions may cause the Charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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.



Kreston Reeves LLP
Statutory Auditor
Chatham Maritime

9 October 2021

Kreston Reeves LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

The French Hospital

Statement of financial activities for the year ended 30 June 2021

	Note	Endowment funds 2021 £	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income and endowments from:						
Donations and legacies	4	-	-	25,487	25,487	38,232
Charitable activities	5	-	-	352,122	352,122	327,095
Investments	6	3,772	897	202,625	207,294	205,237
Total income and endowments		3,772	897	580,234	584,903	570,564
Expenditure on:						
Raising funds	7,8	-	-	25,404	25,404	15,530
Charitable activities	9	-	500	511,426	511,926	420,016
Total expenditure		-	500	536,830	537,330	435,546
Net income before net gains/(losses) on investments		3,772	397	43,404	47,573	135,018
Net gains/(losses) on investments		54,379	12,930	507,201	574,510	(63,344)
Net income		58,151	13,327	550,605	622,083	71,674
Transfers between funds	18	-	(11,998)	11,998	-	-
Net movement in funds		58,151	1,329	562,603	622,083	71,674
Reconciliation of funds:						
Total funds brought forward		611,437	223,620	4,254,990	5,090,047	5,018,373
Net movement in funds		58,151	1,329	562,603	622,083	71,674
Total funds carried forward		669,588	224,949	4,817,593	5,712,130	5,090,047

The Statement of Financial Activities includes all gains and losses recognised in the year.

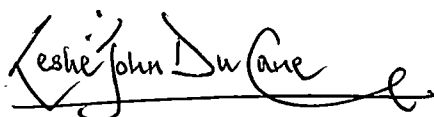
The notes on pages 20 to 39 form part of these financial statements.

The French Hospital

Balance Sheet as at 30 June 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	12	816,408	868,982
Investments	14	3,814,144	3,088,472
Investment property	13	793,637	793,637
		<u>5,424,189</u>	<u>4,751,091</u>
Current assets			
Stocks	15	5,084	5,152
Debtors	16	40,317	47,708
Cash at bank and in hand		306,394	354,359
		<u>351,795</u>	<u>407,219</u>
Creditors: amounts falling due within one year	17	(63,854)	(68,263)
Net current assets		<u>287,941</u>	<u>338,956</u>
Total net assets		<u><u>5,712,130</u></u>	<u><u>5,090,047</u></u>
Charity funds			
Endowment funds	18	669,588	611,437
Restricted funds	18	224,949	223,620
Unrestricted funds	18	4,817,593	4,254,990
Total funds		<u><u>5,712,130</u></u>	<u><u>5,090,047</u></u>

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



L J Du Cane
Deputy Governor



G R Rubython
Treasurer

The notes on pages 20 to 39 form part of these financial statements.

The French Hospital

Statement of Cash Flows for the year ended 30 June 2021

	2021 £	2020 £
Cash flows from operating activities		
Net cash used in operating activities	(104,097)	(29,127)
Cash flows from investing activities		
Dividends, interests and rents from investments	207,294	205,237
Proceeds from sale of investments	1,605,967	494,613
Purchase of investments	(1,757,129)	(664,759)
Net cash provided by investing activities	56,132	35,091
Change in cash and cash equivalents in the year	(47,965)	5,964
Cash and cash equivalents at the beginning of the year	354,359	348,395
Cash and cash equivalents at the end of the year	306,394	354,359

The notes on pages 20 to 39 form part of these financial statements

The French Hospital

Notes to the Financial Statements for the year ended 30 June 2021

1. General information

The French Hospital is an unincorporated charity with charity registration number 219318. The address of the registered office is 41 La Providence, Rochester, Kent, ME1 1NB. The main objectives of the Charity are:

- (i) the relief of poverty or any other charitable need by the provision of housing accommodation for Beneficiaries;
- (ii) such charitable purposes for the benefit of Beneficiaries as the Governor and Directors decide; and
- (iii) to advance education by the preservation and display of items connected with the history of the French Protestant community (Huguenots) in England from the sixteenth century onwards, in particular through the establishment, support and maintenance of:
 - (i) a library and archive (including genealogical records related to the Hospital); and
 - (ii) a museum or gallery.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

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

2.2 Going concern

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

Whilst the impact of the Covid-19 pandemic has been assessed by the Trustees, so far as is reasonably possible, due to its unprecedented impact on the worldwide economy it is difficult to evaluate with any certainty the potential outcomes on the Charity's future activities. However, taking into consideration the Charity's level of reserves, the Trustees believe that the Charity will be able to continue in operational existence for the foreseeable future.

**Notes to the Financial Statements
for the year ended 30 June 2021**

2. Accounting policies (continued)

2.3 Income

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

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Charity, can be reliably measured.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

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

2.4 Expenditure

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

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

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

2.5 Interest receivable

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

The French Hospital

Notes to the Financial Statements for the year ended 30 June 2021

2. Accounting policies (continued)

2.6 Tangible fixed assets and depreciation

At each reporting date the Charity assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined to be the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

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. Depreciation is not charged on freehold land.

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

Buildings	- 2% straight line
Capital repairs	- 2% straight line
Lifts	- 4% straight line
Fixtures and fittings	- 6-15% straight line
Computer equipment	- 33% straight line

2.7 Social Housing Grant

The Social Housing Grant paid by the Housing Corporation to partly finance the cost of development is disclosed in the tangible fixed assets note as a deduction from the cost or valuation of La Providence.

The Social Housing Grant and other grants received in respect of revenue expenditure are credited to the Statement of Financial Activities in the same period as the expenditure to which they relate.

2.8 Housing properties

Housing properties are stated at cost, which includes the cost of improvements, less the Social Housing Grant received and depreciation.

2.9 Investments

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

Investment properties are long-term assets which generate rental income. They are included at market value in accordance with the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice.

2.10 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

**Notes to the Financial Statements
for the year ended 30 June 2021**

2. Accounting policies (continued)

2.11 Debtors

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

2.12 Cash at bank and in hand

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

2.13 Liabilities and provisions

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

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

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

2.14 Financial instruments

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

2.15 Pensions

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

2.16 Fund accounting

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

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

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

**Notes to the Financial Statements
for the year ended 30 June 2021**

3. Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Tangible fixed assets

The Charity has recognised tangible fixed assets with a carrying value of £816,408 at the reporting date (see note 12). These assets are stated at their cost less provision for depreciation and impairment. The Charity's accounting policy sets out the approach to calculating depreciation for immaterial assets acquired. For material assets such as land and buildings the Charity determines at acquisition reliable estimates for the useful economic life of the asset, its residual value and decommissioning costs. These estimates are based upon such factors as the expected use of the acquired asset and market conditions. At subsequent reporting dates the Trustees consider whether there are any factors such as technological advancements or changes in market conditions that indicate a need to reconsider the estimates used.

Where there are indicators that the carrying value of tangible fixed assets may be impaired the Charity undertakes tests to determine the recoverable amount of assets. These tests require estimates of the fair value of assets less cost to sell and of their value in use. Wherever possible the estimate of the fair value of assets is based upon observable market prices less incremental cost for disposing of the asset. The value in use calculation is based upon a discounted cash flow model, based upon the Charity's forecasts for the foreseeable future which do not include any restructuring activities that the Charity is not yet committed to or significant future investments that will enhance the asset's performance. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as expected future cash flows and the growth rate used for extrapolation purposes.

The French Hospital

Notes to the Financial Statements for the year ended 30 June 2021

4. Income from donations and legacies

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donations	21,102	21,102	35,583
Legacies	2,000	2,000	-
Friends' income	2,385	2,385	2,649
	<u>25,487</u>	<u>25,487</u>	<u>38,232</u>
Total 2020	<u>38,232</u>	<u>38,232</u>	

5. Income from charitable activities

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Almshouse contributions receivable	352,122	352,122	327,095
Total 2020	<u>327,095</u>	<u>327,095</u>	

The French Hospital

Notes to the Financial Statements for the year ended 30 June 2021

6. Investment income

	Endowment funds 2021 £	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Rent	-	-	130,370	130,370	122,320
Income from listed investments	3,772	897	72,111	76,780	82,574
Interest receivable	-	-	144	144	343
	<u>3,772</u>	<u>897</u>	<u>202,625</u>	<u>207,294</u>	<u>205,237</u>
Total 2020	<u>6,767</u>	<u>1,609</u>	<u>196,861</u>	<u>205,237</u>	

7. Expenditure on raising funds

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Fundraising expenses	9,180	9,180	678
	<u>9,180</u>	<u>9,180</u>	<u>678</u>
Total 2020	<u>678</u>	<u>678</u>	

8. Investment management costs

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Investment management fees	16,224	16,224	14,852
	<u>16,224</u>	<u>16,224</u>	<u>14,852</u>
Total 2020	<u>14,852</u>	<u>14,852</u>	

The French Hospital

Notes to the Financial Statements for the year ended 30 June 2021

9. Analysis of expenditure by activities

	Direct costs 2021 £	Support costs 2021 £	Total funds 2021 £	Total funds 2020 £
Charitable activities	483,319	28,607	511,926	420,016
Total 2020	380,318	39,698	420,016	

Analysis of direct costs

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Repairs and maintenance	-	93,690	93,690	67,998
Accountancy	-	700	700	650
95 High Street - direct costs	-	69,128	69,128	27,345
Administration	500	17,814	18,314	17,920
Utilities and rates	-	48,473	48,473	51,424
Insurance	-	12,035	12,035	11,956
Write off of tangible fixed assets	-	-	-	(13,746)
Wages and salaries	-	170,787	170,787	158,264
National insurance	-	11,196	11,196	10,486
Pension costs	-	6,421	6,421	5,597
Depreciation	-	52,575	52,575	42,424
	500	482,819	483,319	380,318
Total 2020	500	379,818	380,318	

The French Hospital

Notes to the Financial Statements for the year ended 30 June 2021

Analysis of support costs

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Auditors' remuneration	6,530	6,530	6,166
Professional fees	22,077	22,077	33,532
	<u>28,607</u>	<u>28,607</u>	<u>39,698</u>
Total 2020	<u>39,698</u>	<u>39,698</u>	

10. Staff costs

	2021 £	2020 £
Wages and salaries	170,787	158,264
Social security costs	11,196	10,486
Pension costs	6,421	5,597
	<u>188,404</u>	<u>174,347</u>

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

	2021 No.	2020 No.
Almshouse staff	<u>9</u>	<u>9</u>

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

The remuneration and benefits, including employer's national insurance contributions, received by the Charity's key management personnel amounted to £120,379 (2020: £106,574).

11. Trustees' remuneration and expenses

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

During the year ended 30 June 2021, no Trustee expenses have been incurred (2020 - £NIL).

The French Hospital

Notes to the Financial Statements for the year ended 30 June 2021

12. Tangible fixed assets

	Freehold property £	Motor vehicles £	Other fixed assets £	Total £
Cost or valuation				
At 1 July 2020	1,494,159	70,367	415,456	1,979,982
At 30 June 2021	1,494,159	70,367	415,456	1,979,982
Depreciation				
At 1 July 2020	960,888	53,126	96,986	1,111,000
Charge for the year	41,823	2,815	7,936	52,574
At 30 June 2021	1,002,711	55,941	104,922	1,163,574
Net book value				
At 30 June 2021	491,448	14,426	310,534	816,408
At 30 June 2020	533,271	17,241	318,470	868,982

One-third of the original purchase cost for 95 High Street has been included within fixed assets. The remaining two-thirds has been treated as an investment property, see note 13.

The French Hospital

Notes to the Financial Statements for the year ended 30 June 2021

13. Investment property

	Freehold investment property £
Valuation	
At 1 July 2020	793,637
At 30 June 2021	<u>793,637</u>

The Charity has income from five commercial tenancies of which three form part of the almshouse complex. 95 High Street at present does not include any almshouse accommodation. Two thirds of the purchase costs for 95 High Street appear above as one third may become converted in future for almshouse use and is shown within fixed assets in note 12.

The other three tenanted properties are included within La Providence in note 12. The properties involved are used partly for charitable purposes and partly as investment properties. The investment parts of the properties comprise ground floor shops or offices that are let at a commercial rent.

The Trustees are of the opinion that, as these properties form an integral part of the almshouse accommodation, they have no readily available market value. Therefore these three properties have been included in the accounts at cost.

The French Hospital

Notes to the Financial Statements for the year ended 30 June 2021

14. Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 July 2020	3,088,472
Additions	1,757,129
Disposals	(1,179,655)
Revaluations	148,198
	<hr/>
At 30 June 2021	3,814,144
	<hr/>
Net book value	
At 30 June 2021	3,814,144
	<hr/>
At 30 June 2020	3,088,472
	<hr/>

Investments at market value comprise listed fixed asset investments that are all held in the UK.

Material investments

Material investments comprise all holdings that represent more than 5% of the Charity's total portfolio:

	2021 £	2020 £
CF Ruffer Absolute Return C Acc	-	1,009,219
	<hr/>	<hr/>
	-	1,009,219
	<hr/>	<hr/>

15. Stocks

	2021 £	2020 £
Anniversary books stock	5,084	5,152
	<hr/>	<hr/>

The French Hospital

Notes to the Financial Statements for the year ended 30 June 2021

16. Debtors

	2021 £	2020 £
Due within one year		
Trade debtors	24,155	27,078
Prepayments and accrued income	16,162	20,630
	<u>40,317</u>	<u>47,708</u>

17. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	16,834	20,396
Other taxation and social security	3,454	3,598
Other creditors	43,566	44,269
	<u>63,854</u>	<u>68,263</u>

Deferred income

	2021 £	2020 £
Deferred income at 1 July 2020	33,226	30,956
Resources deferred during the year	31,567	33,226
Amounts released from previous periods	(33,226)	(30,956)
Deferred income at 30 June 2021	<u>31,567</u>	<u>33,226</u>

The French Hospital

Notes to the Financial Statements for the year ended 30 June 2021

18. Statement of funds

Statement of funds - current year

	Balance at 1 July 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 30 June 2021 £
Unrestricted funds						
Designated funds						
Cyclical Redecorations	192,000	-	-	48,000	-	240,000
General funds						
General Fund	4,021,714	580,194	(536,830)	(36,002)	507,201	4,536,277
Friends of La Providence	41,276	40	-	-	-	41,316
	4,062,990	580,234	(536,830)	(36,002)	507,201	4,577,593
Total Unrestricted funds	4,254,990	580,234	(536,830)	11,998	507,201	4,817,593
Endowment funds						
Endowment Fund	611,437	3,772	-	-	54,379	669,588
Restricted funds						
Trust Fund Capital	130,623	-	-	(8,954)	12,930	134,599
Trust Fund Income	76,115	897	(500)	(3,044)	-	73,468
Betard Bequest	16,882	-	-	-	-	16,882
	223,620	897	(500)	(11,998)	12,930	224,949
Total of funds	5,090,047	584,903	(537,330)	-	574,510	5,712,130

Notes to the Financial Statements
for the year ended 30 June 2021

18. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 July 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 30 June 2020 £
Unrestricted funds						
Designated funds						
Cyclical Redecorations	144,000	-	-	48,000	-	192,000
General funds						
General Fund	4,035,681	561,188	(434,651)	(92,504)	-	4,021,714
Friends of La Providence	40,671	1,000	(395)	-	-	41,276
	<u>4,076,352</u>	<u>562,188</u>	<u>(435,046)</u>	<u>(92,504)</u>	<u>-</u>	<u>4,062,990</u>
Total Unrestricted funds	<u>4,220,352</u>	<u>-</u>	<u>(435,046)</u>	<u>(44,504)</u>	<u>-</u>	<u>4,254,990</u>
Endowment funds						
Endowment Fund	581,111	6,767	-	-	23,559	611,437
Restricted funds						
Trust Fund Capital	125,022	-	-	-	5,601	130,623
Trust Fund Income	75,006	1,609	(500)	-	-	76,115
Betard Bequest	16,882	-	-	-	-	16,882
	<u>216,910</u>	<u>1,609</u>	<u>(500)</u>	<u>-</u>	<u>5,601</u>	<u>223,620</u>
Total of funds	<u>5,018,373</u>	<u>8,376</u>	<u>(435,546)</u>	<u>(44,504)</u>	<u>29,160</u>	<u>5,090,047</u>

The French Hospital

Notes to the Financial Statements for the year ended 30 June 2021

The restricted funds comprise three restricted funds which were all given for particular purposes and projects. These restricted funds being: Trust fund capital; Trust fund income; and Betard bequest.

The Betard bequest monies were donated and are applied to The French Hospital projects that will "improve residents' mobility".

The Trust fund capital and Trust fund income are now solely comprised of the Outgift fund. This fund exists to assist persons of French Protestant descent who are in need.

Historically, this fund had also included the following sub-funds:

The Louisa Fontaneau Bequest is held to be applied ultimately as if it formed part of the investments of the Charity.

The Chabot legacy is available for general purposes but the Chabot monuments fund was bequeathed specifically for the maintenance and upkeep of a family grave and the family brasses.

The Stephen Mounier apprenticeship fund offers financial help for training for young persons.

The Browning fund was provided by the late Arthur Giraud Browning to assist with the purchase of books on Huguenot subjects for the library of The French Hospital.

During the year however, upon agreement with the Charity Commission, it was agreed that all of the elements of the Trust fund capital and the Trust fund income restricted funds, other than the Outgift fund, could be freed from their restricted use and reallocated as unrestricted funds. We have therefore included a number of transfers from restricted to unrestricted funds this year, which reflects the impact of this unrestriction. The balances carried forward on the Trust fund capital and the Trust fund income restricted funds, as at 30 June 2021, therefore just comprise the remaining balance of the Outgift funds.

19. Trust fund capital

All investments are held for the Trust funds are quoted on the UK stock exchange and are shown at market value in the analysis below. The increase / (decrease) in value of the investments is applicable to each Trust in proportion to the original cost thereof.

	Market value at 30 June 2020 £	Gains / (losses) £	Transfers out £	Market value at 30 June 2021 £
Browing	638	-	(638)	-
Chabot legacy	2,886	-	(2,886)	-
Chabot monuments	286	-	(286)	-
Fontaneau	1,478	-	(1,478)	-
Mounier	3,666	-	(3,666)	-
Outgift	<u>121,669</u>	<u>12,930</u>	<u>-</u>	<u>134,599</u>
	<u>130,623</u>	<u>12,930</u>	<u>(8,954)</u>	<u>134,599</u>

The French Hospital

Notes to the Financial Statements for the year ended 30 June 2021

Trust fund income

	Balance at 30 June 2020	Reinvested income	Distributed in year	Transfers out	Balance at 30 June 2021
	£	£	£	£	£
Browning	691	-	-	(691)	-
Chabot legacy	50	-	-	(50)	-
Chabot monuments	4	-	-	(4)	-
Fontaneau	2,190	-	-	(2,190)	-
Mounier	109	-	-	(109)	-
Outgift	<u>73,071</u>	<u>897</u>	<u>(500)</u>	<u>-</u>	<u>73,468</u>
	<u>76,115</u>	<u>1,609</u>	<u>(500)</u>	<u>(3,044)</u>	<u>73,468</u>

20. Summary of funds

Summary of funds - current year

	Balance at 1 July 2020	Income	Expenditure	Transfers in/out	Gains/ (Losses)	Balance at 30 June 2021
	£	£	£	£	£	£
Designated funds	192,000	-	-	48,000	-	240,000
General funds	4,062,990	580,234	(536,830)	(36,002)	507,201	4,577,593
Endowment funds	611,437	3,772	-	-	54,379	669,588
Restricted funds	223,620	897	(500)	(11,998)	12,930	224,949
	<u>5,090,047</u>	<u>584,903</u>	<u>(537,330)</u>	<u>-</u>	<u>574,510</u>	<u>5,712,130</u>

Summary of funds - prior year

	Balance at 1 July 2019	Income	Expenditure	Transfers in/out	Gains/ (Losses)	Balance at 30 June 2020
	£	£	£	£	£	£
Designated funds	144,000	-	-	48,000	-	192,000
General funds	4,076,352	562,188	(435,046)	(92,504)	-	4,062,990
Endowment funds	581,111	6,767	-	-	23,559	611,437
Restricted funds	216,910	1,609	(500)	-	5,601	223,620
	<u>5,018,373</u>	<u>570,564</u>	<u>(435,546)</u>	<u>(44,504)</u>	<u>29,160</u>	<u>5,090,047</u>

The French Hospital

Notes to the Financial Statements for the year ended 30 June 2021

21. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Endowment funds 2021 £	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	-	816,408	816,408
Fixed asset investments	669,588	134,599	3,009,957	3,814,144
Investment property	-	-	793,637	793,637
Current assets	-	90,350	261,445	351,795
Creditors due within one year	-	-	(63,854)	(63,854)
Total	669,588	224,949	4,817,593	5,712,130

Analysis of net assets between funds - prior year

	Endowment funds 2020 £	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	-	868,982	868,982
Fixed asset investments	611,437	101,217	2,375,818	3,088,472
Investment property	-	-	793,637	793,637
Current assets	-	122,403	284,816	407,219
Creditors due within one year	-	-	(68,263)	(68,263)
Total	611,437	223,620	4,254,990	5,090,047

**Notes to the Financial Statements
for the year ended 30 June 2021**

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

	2021 £	2020 £
Net income for the year (as per Statement of Financial Activities)	622,083	71,674
Adjustments for:		
Depreciation charges	52,574	42,424
Gains/(losses) on investments	(574,510)	63,344
Dividends, interests and rents from investments	(207,294)	(205,237)
Decrease in stocks	68	99
Decrease/(increase) in debtors	7,391	(15,418)
Increase/(decrease) in creditors	(4,409)	13,987
Net cash used in operating activities	(104,097)	(29,127)

23. Analysis of cash and cash equivalents

	2021 £	2020 £
Cash in hand	306,394	354,359
Total cash and cash equivalents	306,394	354,359

24. Analysis of changes in net debt

	At 1 July 2020 £	Cash flows £	At 30 June 2021 £
Cash at bank and in hand	354,359	(47,965)	306,394
	354,359	(47,965)	306,394

The French Hospital

Notes to the Financial Statements for the year ended 30 June 2021

25. Pension commitments

The Charity operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £6,421 (2020: £5,597). As at 30 June 2021, there were no contributions outstanding (2020: £Nil).

26. Related party transactions

Two of the Trustees of The French Hospital, namely P J Duval and L J Du Cane, are also Trustees of Huguenot Heritage Centre. During the financial year, The French Hospital received £22,000 (2020: £22,000) from Huguenot Heritage Centre, for the rental of the premises, plus a total of £11,162 (2020: £9,146) in respect of recharges of water, electricity and insurance costs. As at 30 June 2021, there was a balance outstanding of £1,455 (2020: £363).

Two of the Trustees of the French Hospital, namely C E M Martineau and P J Duval, are also Trustees of Norwich French Church. During the financial year, The French Hospital received donations of £5,794 (2020: £2,189) from Norwich French Church.

27. Contingent liabilities

On 19 March 2014, the French Hospital was named as a grantee of the Heritage Lottery Fund's grant for the Huguenot Heritage Centre project. Under the Heritage Lottery Fund's then Standard Terms of Grant there exists a possibility of a financial obligation by the French Hospital to the National Lottery Heritage Fund ("NLHF") in circumstances in which either the Huguenot Museum chooses to relocate without NLHF permission, or in which it ceases to operate.

A consequence of the Covid-19 pandemic has been that many smaller museums have faced a very challenging operating environment during the past 18 months. In particular, the Huguenot Museum has been unable to secure sufficient grant and donor funding for its current operations. This has necessitated a temporary restriction in its activities, and a temporary cessation of public access to its collections. The NLHF are aware of the Museum charity's current financial position, and of its plans for working towards a financially sustainable mode of operation.

The Directors of the French Hospital remain supportive of the Museum charity and its aims, and its representatives are assisting in the actions that the Museum charity is taking, both in addressing the immediate practical issues that it is facing, and in formulating strategies for its future operation. Between the two charities, opportunities for partnerships and sharing in activities continue to be explored.

While it is impracticable to quantify the extent of this possible financial obligation, and thus no liability pertaining to this matter is recognized in these financial statements, the Trustees do not consider that this issue prejudices the Charity's ability to continue as a going concern.

