

Charity number: 219318

The French Hospital

Trustees' Report and Financial Statements

for the year ended 30 June 2022

The French Hospital

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Reference and Administrative Details of the Charity, its Trustees and Advisers for the year ended 30 June 2022

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 (deceased 12 June 2022) J G Lefroy C Duval R W Place The 9th Earl of Radnor The Very Rev, H E C Stapleton Wing Commander D V Duval A J Houssemayne de Boulay (deceased 4 February 2022) 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
Charity registered number	219318
Principal office	41 La Providence Rochester Kent ME1 1NB

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Reference and Administrative Details of the Charity, its Trustees and Advisers (continued) for the year ended 30 June 2022

Independent auditor	Kreston Reeves LLP Chartered Accountants Statutory Auditor Montague Place Quayside Chatham Maritime Chatham Kent ME4 4QU
Bankers	The CAF Bank 25 Kings Hill Avenue Kings Hill West Malling ME19 4TA Lloyds TSB Week Street Maidstone ME14 1RW
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
Clerk to the Trustees	I W Mackenzie (retired 22 August 2021) C H Parker (appointed 23 August 2021)
Chaplain	Rev A Lawal (deceased 15 October 2021) Rev B Beckhelling (appointed 1 August 2022)
Steward	J Corrigan
Investment Manager	Cazenove Capital 1 London Wall Place London EC2Y 5AU
Investment Manager	Brewin Dolphin Ltd 12 Smithfield Street London EC1A 9BD
Head of Engagement and Deputy Clerk	Mrs N Tegg

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Trustees' Report for the year ended 30 June 2022

The Trustees present their annual report together with the audited financial statements of the Charity for the year from 1 July 2021 to 30 June 2022.

Objectives and activities

a. Policies and objectives

The objects of the Charity 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 (2021: 57) 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 £104,648 in the year (2021: £93,690). Income from listed investments increased to £96,288 from the previous year's figure of £76,780. There was an overall surplus, before transfers and investment losses in the year of £106,200 (2021: surplus of £47,573). Donations and legacies income received in the year amounted to £55,183 (2021: £25,487). Following the revaluation of investment assets, the Charity made a deficit of £289,561 (2021: surplus of £622,083). Total reserves, at 30 June 2022, were £5,422,569 (2021: £5,712,130).

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Trustees' Report (continued) for the year ended 30 June 2022

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. In the prior year, the Trustees liquidated funds invested with Ruffer LLP and have now invested funds 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 decreased in value by 3% during the financial year, which was mainly due to revaluation losses of £584,453 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

It is the Charity's policy to hold financial reserves to ensure that it:

- has sufficient income from its investment and commercial property portfolios to support adequately the costs both of staffing at La Providence, and of maintenance of the Charity's almshouse and administration accommodation;
- has sufficient portfolio income adequately to conserve and maintain its archives and collections;
- can withstand unforeseen economic shocks;
- can upgrade its facilities at La Providence;
- can develop its services to current beneficiaries;
- has the financial capacity to make grants to beneficiaries for the relief of their need;
- can respond adequately in circumstances where there is increased demand for its services in the future; and
- can continue to operate in perpetuity.

The present minimum level of the Charity's total reserves required by the Trustees is £440,000.

The present level of the Charity's reserves is sufficient to support its current almshouse operations, and for the maintenance of its archives and collections. To ensure the Charity has the capacity to fund development, make grants, and respond to increased demand, and to ensure that it has this capacity in all reasonably foreseeable circumstances, it is the Charity's policy to seek, over the medium term, donations and legacies for use as an 'expendable endowment'.

At the Balance Sheet date the Charity holds free reserves amounting to £2,871,852 (2021: £2,967,548).

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Trustees' Report (continued) for the year ended 30 June 2022

It is the Charity's policy actively to seek additional funding from both individuals and grant-making bodies in support of specific projects related to:

- the upgrading of both sheltered accommodation and communal areas at La Providence; and
- the development of services and facilities for beneficiaries.

It is the Charity's policy to hold sufficient of its reserves in cash or other liquid assets in order to cover:

- normal fluctuations in almshouse operation cashflow; and
- in case of unforeseen circumstances, the cost of almshouse operations for a period of between 3 and 6 months.

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.

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Trustees' Report (continued) for the year ended 30 June 2022

Structure, governance and management (continued)

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 2022, there were 12 trustees (2021: 12). 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.

The Quarterly Committee met on six occasions during the year; although attendance in person was encouraged, attendance via Zoom link promoted participation by those Trustees who were unable to attend in person.

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

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 2022, 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 2022

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. The Trustees reviewed Governance procedures / practice, in March 2022.. 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 are 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. The Employee Handbook includes policies on Communications, Grievance and Discipline, Maternity and Adoption, Parental and Paternity Leave, Sickness and Absence, Redundancy and Retirement.

Plans for future periods

Population ageing is poised to become one of the most significant social transformations of the twenty-first century, with implications for nearly all sectors of society. (United Nations 2022)

Improvement of almshouse facilities

The Charity continues to upgrade its almshouse facilities, committed to providing a safe environment suitable for independent living, and to a Steward team that provides vital support and communication 24 hours a day to Residents. In order to support this work, and thereby further its objects, the Charity 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 both the Charity and its Residents, remains a priority. The Charity continues to engage with its "Friends" supporter base, and with other charities with which it is aligned, seeking opportunities to raise its profile.

The majority of No 95 High Street, Rochester, is occupied by commercial tenants of The French Hospital, namely Medway Council and the Huguenot Museum. 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.

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Trustees' Report (continued) for the year ended 30 June 2022

Plans for future periods (continued)

Income from contributions

Contributions are reviewed annually. 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 the flats now attract the updated 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 2021/22 Financial Year and received zero fundraising complaints during the 2021/22 Financial Year.

Fundraising impact

As well as providing accommodation, the French Hospital continues to support Residents through initiatives that offer possibilities for them to remain active, productive, independent, and socially connected.

Working through the challenges of the Covid-19 pandemic, there has been a focus on developing sustainable, Resident-led projects that improve social inclusion. Tai Chi, and fitness and craft activities, have recommenced, as has the French Club; all are well attended. In addition, a new allotment project and a 'Men in Sheds' carpentry workshop have commenced. The focus is both on physical and mental wellbeing for all 66 Residents at The French Hospital after a difficult two years during which many suffered from periods of social isolation and loneliness.

Volunteering by Residents has also increased, in projects including the local Community café, Rochester Cathedral and the Huguenot Museum.

The French Hospital would like to thank all its donors and supporters for their generous donations that have helped to fund projects and activities aimed at supporting Residents.

Key funders include the Charles Skey Trust that has funded an exercise class for Residents, and its funding has enabled the provision of much-needed new furniture for the Common Room. This facility is used by all, and now activities and lunches can take place there with fit-for-purpose tables and chairs.

The French Hospital

Trustees' Report (continued) for the year ended 30 June 2022

Plans for future periods (continued)

In addition, the Trust's funding has supported the weekly exercise class at the French Hospital. For the Residents, the exercise class has had a significant impact not only on **Physical Health**, but also on **Wellbeing** and **Social Inclusion**. The class is attended by up to 15 people each week, and others, who are unable to attend in person, can join in online in the comfort of their home through a Sparko TV initiative.

The importance of exercise in the over-65s is clearly evidenced:

Covid confined millions of older people to their homes for a long period of time. Many were already frail and at high risk of falls. Falls are the leading cause of accidental death in people, and treatments for falls cost the NHS more than £2.30 billion a year. About half [older people] fear that spending so much time at home has resulted in a loss of strength and mobility, and health professionals believe declining physical fitness could lead to an increase in falls in older people. (Age UK 2021)

The exercise class has resulted in notable, and measurable, health benefits:

"I had a stroke in the past and have had very limited mobility on one side of my body. This has improved since I have been exercising." (Emily, aged 77)

"Coming to the weekly exercise class is something I look forward to – since going I feel I am able to leave my walker to the side and stand up straighter. I feel more confident." (Jeanne, aged 95)

Digital Inclusion has also been supported thanks to Age UK Medway's provision of Sparko TV boxes to 10 Residents at The French Hospital. Sparko TV is an interactive Virtual Retirement Community that can be accessed through the TV. It allows Residents to keep connected with family, friends, community, and essential support services. Also, a computer and laptops are available to all Residents to encourage digital inclusion, and computer usage workshops are run in the Common Room on a regular basis.

"I am able to connect with my granddaughter in Australia, and keep up to date on what my family and friends all over the world are doing." (Barbara, aged 94)

The rising cost of energy in 2022 has focussed attention on **Energy Efficiency**. The generosity of the Charles Skey Trust has allowed the Charity to undertake a professional audit of all the windows at The French Hospital, with the longer-term aim of improving heat efficiency, reducing costs, and decreasing noise pollution for all Residents.

The Trustees would also like to thank:

- the team at Axis Europe for donating their time and services to re-decorating the Common Room and Hallway at the French Hospital, ensuring that the environment at La Providence is more welcoming for all Residents and visitors;
- the Kent Community Foundation for funding new furniture for the Common Room; and
- Involving Medway for a grant for an allotment space – the first crops from which have been enjoyed by Residents at their monthly lunch club.

Staff, volunteers and supporters

The Trustees would like to take this opportunity to thank the staff, volunteers and supporters of the French Hospital for the extraordinary commitment and adaptability that they showed during the pandemic as well as for their work throughout the year.

On 22 August 2021, Mr I W Mackenzie retired after nearly 10 years in the role of Clerk to the Corporation. Particular thanks go to Ian for all that he did for the Charity during his time as Clerk. Mrs C H Parker was appointed as Clerk to the Corporation on 23 August 2021.

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Trustees' Report (continued) for the year ended 30 June 2022

Plans for future periods (continued)

Covid-19

The Covid-19 pandemic changed the world. In its aftermath, there is greater understanding both of the need to be adequately prepared for the unexpected, and of the dangers of social isolation.

While many institutions suffered more severely from the pandemic than did the French Hospital, its after effects were still evident at the Charity during the year, in an increase in the time that staff needed to spend in support of individual Residents and of the Resident community generally.

The Risk Register now incorporates a section relating to risks associated with viral epidemic; this has been reviewed by the Trustees, with the object of ensuring that any desirable precautionary measures are undertaken in a timely fashion.

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.

Disclosure of information to auditor

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

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

Approved by order of the members of the board of Trustees on 25 March 2023 and signed on their behalf by:

The French Hospital

**Trustees' Report (continued)
for the year ended 30 June 2022**

Approved by order of the members of the Board of Trustees on
behalf by:

25 March 2023

and signed on their

A handwritten signature in black ink, reading "Leslie John Du Cane". The signature is written in a cursive style and is positioned above a horizontal line.

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 2022 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 2022 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for 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.

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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.

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)

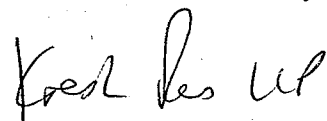
As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- 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
Chartered Accountants
Statutory Auditor
Chatham Maritime

5 April 2023

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 2022

	Note	Endowment funds 2022 £	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income and endowments from:						
Donations and legacies	4	-	-	55,183	55,183	25,487
Charitable activities	5	-	-	373,857	373,857	352,122
Investments	6	4,266	12,560	212,725	229,551	207,294
Total income and endowments		4,266	12,560	641,765	658,591	584,903
Expenditure on:						
Raising funds	7,8	-	-	38,705	38,705	25,404
Charitable activities	9	-	808	512,878	513,686	511,926
Total expenditure		-	808	551,583	552,391	537,330
Net income before net (losses)/gains on investments		4,266	11,752	90,182	106,200	47,573
Net (losses)/gains on investments		(166,220)	(39,576)	(189,965)	(395,761)	574,510
Net movement in funds		(161,954)	(27,824)	(99,783)	(289,561)	622,083
Reconciliation of funds:						
Total funds brought forward		669,588	224,949	4,817,593	5,712,130	5,090,047
Net movement in funds		(161,954)	(27,824)	(99,783)	(289,561)	622,083
Total funds carried forward		507,634	197,125	4,717,810	5,422,569	5,712,130

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

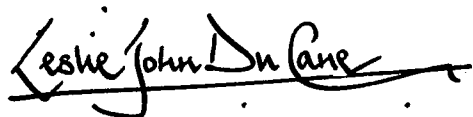
The notes on pages 19 to 37 form part of these financial statements.

The French Hospital

Balance Sheet as at 30 June 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	12	461,723	816,408
Investments	14	3,686,066	3,814,144
Investment property	13	1,096,235	793,637
		<u>5,244,024</u>	<u>5,424,189</u>
Current assets			
Stocks	15	4,969	5,084
Debtors	16	21,551	40,317
Cash at bank and in hand		238,379	306,394
		<u>264,899</u>	<u>351,795</u>
Creditors: amounts falling due within one year	17	(86,354)	(63,854)
Net current assets		<u>178,545</u>	<u>287,941</u>
Total net assets		<u><u>5,422,569</u></u>	<u><u>5,712,130</u></u>
Charity funds			
Endowment funds	18	507,634	669,588
Restricted funds	18	197,125	224,949
Unrestricted funds	18	4,717,810	4,817,593
Total funds		<u><u>5,422,569</u></u>	<u><u>5,712,130</u></u>

The financial statements were approved and authorised for issue by the Trustees on 25 March 2023 and signed on their behalf by:



L J Du Cane
Deputy Governor



G R Rubython
Treasurer

The notes on pages 19 to 37 form part of these financial statements.

The French Hospital

Statement of Cash Flows for the year ended 30 June 2022

	2022 £	2021 £
Cash flows from operating activities		
Net cash used in operating activities (note 22)	(29,883)	(104,097)
Cash flows from investing activities		
Dividends, interests and rents from investments	229,551	207,294
Proceeds from sale of investments	643,456	1,605,967
Purchase of investments	(911,139)	(1,757,129)
Net cash (used in)/provided by investing activities	(38,132)	56,132
Change in cash and cash equivalents in the year	(68,015)	(47,965)
Cash and cash equivalents at the beginning of the year	306,394	354,359
Cash and cash equivalents at the end of the year (note 23)	238,379	306,394

The notes on pages 19 to 37 form part of these financial statements

The French Hospital

Notes to the Financial Statements for the year ended 30 June 2022

1. General information

The French Hospital is a Royal Charter 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.

**Notes to the Financial Statements
for the year ended 30 June 2022**

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.

2.6 Taxation

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

**Notes to the Financial Statements
for the year ended 30 June 2022**

2. Accounting policies (continued)

2.7 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, and capitalised over the value of £2,000. 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

2.8 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.

2.9 Housing properties

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

2.10 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.

2.11 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 2022**

2. Accounting policies (continued)

2.12 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.

2.13 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.

2.14 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.

2.15 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.

2.16 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.

2.17 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 2022**

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 £461,723 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 2022

4. Income from donations and legacies

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Donations	52,373	52,373	21,102
Legacies	-	-	2,000
Friends' income	2,810	2,810	2,385
	<u>55,183</u>	<u>55,183</u>	<u>25,487</u>
Total 2021	<u>25,487</u>	<u>25,487</u>	

5. Income from charitable activities

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Almshouse contributions receivable	<u>373,857</u>	<u>373,857</u>	<u>352,122</u>
Total 2021	<u>352,122</u>	<u>352,122</u>	

The French Hospital

Notes to the Financial Statements for the year ended 30 June 2022

6. Investment income

	Endowment funds 2022 £	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Rent	-	-	133,199	133,199	130,370
Income from listed investments	4,266	12,560	79,462	96,288	76,780
Interest receivable	-	-	64	64	144
	<u>4,266</u>	<u>12,560</u>	<u>212,725</u>	<u>229,551</u>	<u>207,294</u>
Total 2021	<u>3,772</u>	<u>897</u>	<u>202,625</u>	<u>207,294</u>	

7. Expenditure on raising funds

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Fundraising expenses	18,228	18,228	9,180
	<u>18,228</u>	<u>18,228</u>	<u>9,180</u>
Total 2021	<u>9,180</u>	<u>9,180</u>	

8. Investment management costs

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Investment management fees	20,477	20,477	16,224
	<u>20,477</u>	<u>20,477</u>	<u>16,224</u>
Total 2021	<u>16,224</u>	<u>16,224</u>	

**Notes to the Financial Statements
for the year ended 30 June 2022**

9. Analysis of expenditure by activities

	Direct costs 2022 £	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
Charitable activities	478,235	25,451	503,686	511,926
Ukraine DEC appeal donation	10,000	-	10,000	-
	<u>488,235</u>	<u>25,451</u>	<u>513,686</u>	<u>511,926</u>
Total 2021	<u>483,319</u>	<u>28,607</u>	<u>511,926</u>	

Analysis of direct costs

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Repairs and maintenance	-	104,648	104,648	93,690
Accountancy	-	720	720	700
95 High Street - direct costs	-	31,048	31,048	69,128
Administration	808	23,129	23,937	18,314
Utilities and rates	-	52,881	52,881	48,473
Insurance	-	12,577	12,577	12,035
Wages and salaries	-	182,152	182,152	170,787
National insurance	-	11,847	11,847	11,196
Pension costs	-	6,338	6,338	6,421
Depreciation	-	52,087	52,087	52,575
	<u>808</u>	<u>477,427</u>	<u>478,235</u>	<u>483,319</u>
Total 2021	<u>500</u>	<u>482,819</u>	<u>483,319</u>	

**Notes to the Financial Statements
for the year ended 30 June 2022**

Analysis of support costs

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Auditors' remuneration	6,660	6,660	6,530
Professional fees	18,791	18,791	22,077
	<u>25,451</u>	<u>25,451</u>	<u>28,607</u>
Total 2021	<u>28,607</u>	<u>28,607</u>	

10. Staff costs

	2022 £	2021 £
Wages and salaries	182,152	170,787
Social security costs	11,847	11,196
Pension costs	6,338	6,421
	<u>200,337</u>	<u>188,404</u>

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

	2022 No.	2021 No.
Almshouse staff	<u>8</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 £123,804 (2021: £120,379).

11. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 30 June 2022, expenses totalling £104 were reimbursed or paid directly to 2 Trustees (2021 - £NIL). These were paid in relation to travel costs incurred.

Notes to the Financial Statements
for the year ended 30 June 2022

12. Tangible fixed assets

	La Providence £	Lifts £	95 High Street £	Total £
Cost or valuation				
At 1 July 2021	1,494,160	70,367	415,456	1,979,983
Transfers between classes	-	-	(415,456)	(415,456)
At 30 June 2022	1,494,160	70,367	-	1,564,527
Depreciation				
At 1 July 2021	1,002,712	55,941	104,922	1,163,575
Charge for the year	41,336	2,815	7,936	52,087
Transfers between classes	-	-	(112,858)	(112,858)
At 30 June 2022	1,044,048	58,756	-	1,102,804
Net book value				
At 30 June 2022	450,112	11,611	-	461,723
At 30 June 2021	491,448	14,426	310,534	816,408

Historically, one-third of the original purchase cost for 95 High Street was included within fixed assets, with the remaining two-thirds being treated as an investment property, included within note 13.

This year however, the Trustees have taken the decision that due to the future usage plans they have for this property, they feel that the entire value should be reflected as an investment property going forward. These financial statements therefore show the appropriate value being transferred out of tangible fixed assets, and into investment property.

**Notes to the Financial Statements
for the year ended 30 June 2022**

13. Investment property

	Freehold investment property £
Valuation	
At 1 July 2021	793,637
Transfers between classes	302,598
At 30 June 2022	<u>1,096,235</u>

The Charity has income from four commercial tenancies of which two form part of the almshouse complex. 95 High Street at present does not include any almshouse accommodation. As per note 12, the full value of 95 High Street is now reflected within investment property, where as historically, only two-thirds had been, with the other one-third in tangible fixed assets.

The other two 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.

Notes to the Financial Statements
for the year ended 30 June 2022

14. Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 July 2021	3,814,144
Additions	911,139
Disposals	(454,764)
Revaluations	(584,453)
At 30 June 2022	<u>3,686,066</u>
Net book value	
At 30 June 2022	<u>3,686,066</u>
At 30 June 2021	<u>3,814,144</u>

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:

	2022 £
Cazenove Multi-Asset Fund	1,137,809
	<u>1,137,809</u>

15. Stocks

	2022 £	2021 £
Anniversary books stock	<u>4,969</u>	<u>5,084</u>

The French Hospital

Notes to the Financial Statements for the year ended 30 June 2022

16. Debtors

	2022 £	2021 £
Due within one year		
Trade debtors	4,126	24,155
Prepayments and accrued income	17,425	16,162
	<u>21,551</u>	<u>40,317</u>

17. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	16,889	16,834
Other taxation and social security	3,194	3,454
Other creditors	66,271	43,566
	<u>86,354</u>	<u>63,854</u>

Deferred income

	2022 £	2021 £
Deferred income at 1 July 2021	31,567	33,226
Resources deferred during the year	32,348	31,567
Amounts released from previous periods	(31,567)	(33,226)
Deferred income at 30 June 2022	<u>32,348</u>	<u>31,567</u>

Notes to the Financial Statements
for the year ended 30 June 2022

18. Statement of funds

Statement of funds - current year

	Balance at 1 July 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 30 June 2022 £
Unrestricted funds						
Designated funds						
Cyclical Maintenance Fund	240,000	-	-	48,000	-	288,000
General funds						
General Fund	4,536,277	641,765	(551,583)	(48,000)	(189,965)	4,388,494
Friends of La Providence	41,316	-	-	-	-	41,316
	4,577,593	641,765	(551,583)	(48,000)	(189,965)	4,429,810
Total Unrestricted funds	4,817,593	641,765	(551,583)	-	(189,965)	4,717,810
Endowment funds						
Endowment Fund	669,588	4,266	-	-	(166,220)	507,634
Restricted funds						
Trust Fund Capital	134,599	-	-	-	(39,576)	95,023
Trust Fund Income	73,468	12,560	(808)	-	-	85,220
Betard Bequest	16,882	-	-	-	-	16,882
	224,949	12,560	(808)	-	(39,576)	197,125
Total of funds	5,712,130	658,591	(552,391)	-	(395,761)	5,422,569

Notes to the Financial Statements
for the year ended 30 June 2022

18. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 July 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 30 June 2021 £
Unrestricted funds						
Designated funds						
Cyclical Maintenance Fund	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

The French Hospital

Notes to the Financial Statements for the year ended 30 June 2022

The designated funds comprise a Cyclical Maintenance Fund, which exists to hold a reserve at each year end that is commensurate with the liability, accrued as at that point in the five-year cycle, for the estimated costs associated with the Charity's next quinquennial maintenance and redecoration programme. At the completion of a quinquennial maintenance and redecoration programme, the funds held in this reserve are applied against the costs of the quinquennial programme. Thus, the expenditure for which these funds have been set aside is expected to be incurred within five years of the date of their designation. Each year a transfer is made to the designated Cyclical Maintenance Fund, to build up the balance of this fund, ahead of the next time such works are required.

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.

19. Trust fund capital

All investments that 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 2021	Gains / (losses)	Transfers out	Market value at 30 June 2022
	£	£	£	£
Outgift	<u>134,599</u>	<u>(39,576)</u>	<u>5,218</u>	<u>95,023</u>

Trust fund income

	Balance at 30 June 2021	Reinvested income	Distributed in year	Transfers out	Balance at 30 June 2022
	£	£	£	£	£
Outgift	<u>73,468</u>	<u>12,560</u>	<u>(808)</u>	<u>(500)</u>	<u>85,220</u>

Notes to the Financial Statements
for the year ended 30 June 2022

20. Summary of funds

Summary of funds - current year

	Balance at 1 July 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 30 June 2022 £
Designated funds	240,000	-	-	48,000	-	288,000
General funds	4,577,593	641,765	(551,583)	(48,000)	(189,965)	4,429,810
Endowment funds	669,588	4,266	-	-	(166,220)	507,634
Restricted funds	224,949	12,560	(808)	-	(39,576)	197,125
	<u>5,712,130</u>	<u>658,591</u>	<u>(552,391)</u>	<u>-</u>	<u>(395,761)</u>	<u>5,422,569</u>

Summary of funds - prior 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>

21. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Endowment funds 2022 £	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	-	461,723	461,723
Fixed asset investments	507,634	76,752	3,101,680	3,686,066
Investment property	-	-	1,096,235	1,096,235
Current assets	-	120,373	144,526	264,899
Creditors due within one year	-	-	(86,354)	(86,354)
Total	<u>507,634</u>	<u>197,125</u>	<u>4,717,810</u>	<u>5,422,569</u>

Notes to the Financial Statements
for the year ended 30 June 2022

21. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior 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

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

	2022 £	2021 £
Net income/expenditure for the year (as per Statement of Financial Activities)	(289,561)	622,083
Adjustments for:		
Depreciation charges	52,087	52,574
Gains/(losses) on investments	395,761	(574,510)
Dividends, interests and rents from investments	(229,551)	(207,294)
Decrease in stocks	115	68
Decrease in debtors	18,766	7,391
Increase/(decrease) in creditors	22,500	(4,409)
Net cash used in operating activities	(29,883)	(104,097)

23. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand	238,379	306,394

The French Hospital

Notes to the Financial Statements for the year ended 30 June 2022

24. Analysis of changes in net debt

	At 1 July 2021	Cash flows	At 30 June 2022
	£	£	£
Cash at bank and in hand	306,394	(68,015)	238,379

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 £6,338 (2021: £6,421). As at 30 June 2022, there were no contributions outstanding (2021: £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 (2021: £22,000) from Huguenot Heritage Centre for the rental of the premises, plus a total of £10,488 (2021: £11,162) in respect of recharges of water, electricity and insurance costs. As at 30 June 2022 there was a balance outstanding of £644 (2021: £1,455).

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 £9,814 (2021: £5,794) from Norwich French Church in donations.

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.

With the approval of the NLHF, the Museum has adopted a new operating model, dependent upon fewer salaried staff and with a greater contribution from volunteers. The Museum, with an Operations Manager in charge of a team of volunteers, re-opened to the public on 9th August 2022. Whilst its income is not expected immediately to match its expenditure, with judicious application of its brought forward reserves (£91,633 as at 1st April 2022) and with prudent financial management, the Museum is now striving to achieve a financially sustainable mode of operation.

The Directors of the French Hospital continue to be supportive of the Huguenot Museum charity and its aims, and their representatives are active in assisting the Museum charity both in its day-to-day operations and in formulating strategies for its future. Between the two charities, opportunities for partnerships and for 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.