

THE HARTLEY TRUST

England & Wales · Charity number 226021

Details

Other names	DONNINGTON HOSPITAL
Status	Registered
Legal form	Other
Registered	1963-08-29
Register	View on the Charity Commission register

Contact

Address	James Cowper Llp Mill House Overbridge Square Hambridge Lane Newbury RG14 5UX
Phone	0163535255
Email	clerk@donningtonhospital.com
Website	www.donningtonhospital.com

Activities

Objects: ALMHOUSES FOR THE POOR. THE OBJECTS OF THE CHARITY ARE:(1) (I) THE RELIEF OF POVERTY BY THE PROVISION OF HOUSING ACCOMMODATION FOR BENEFICIARIES;(II) SUCH CHARITABLE PURPOSES FOR THE BENEFIT OF THE RESIDENTS AS THE TRUSTEES DECIDE; AND(III) SUBJECT TO THE PROVISIONS OF CLAUSE 5 (POWER TO DISPOSE OF AND REPLACE PURPOSE PROPERTY), THE LAND IDENTIFIED IN PART 1 OF THE SCHEDULE TO THIS SCHEME MUST BE RETAINED BY THE TRUSTEE FOR USE OF THIS OBJECT.(2) THE PREVENTION OR RELIEF OF POVERTY IN THE AREA OF BENEFIT BY PROVIDING: DONATIONS, GRANTS, GOODS AND SERVICES INCLUDING ADVICE TO INDIVIDUALS IN NEED AND/OR CHARITIES, OR OTHER ORGANISATIONS WORKING TO PREVENT OR RELIEVE POVERTY WITH A PREFERENCE FOR THOSE RESIDENT OR WORKING IN THE ROYAL COUNTY OF BERKSHIRE AND THE COUNTY OF OXFORDSHIRE.

Activities: Management of Almshouses

Classification

- **How:** Makes Grants To Organisations, Provides Other Finance, Provides Buildings/facilities/open Space, Provides Services
- **What:** The Prevention Or Relief Of Poverty, Accommodation/housing
- **Who:** Elderly/old People

Geography

- **Area of benefit:** SEE OBJECTS
- Oxfordshire
- West Berkshire

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£2,709,329	£2,093,748	£55,676,048	9
2023-12-31	£1,926,578	£2,315,660	£52,567,064	9
2022-12-31	£1,849,113	£1,877,543	£48,197,420	10
2021-12-31	£1,980,099	£1,707,431	£47,542,989	10
2020-12-31	£1,613,178	£1,271,057	£40,421,941	8

Trustees

Name	Role	Appointed
THE HARTLEY TRUST CORPORATE TRUSTEE LIMITED		2021-09-01

Linked charities

- JESUS HOSPITAL (226021-1)
- SHARE OF CHARITY OF RANDOLPH BASKERVILLE (226021-2)
- SHARE OF CHARITY OF JOHN OWEN (226021-3)
- SHARE OF CHARITY OF JEREMIAH COPPING (226021-4)
- THOMAS COOKE (226021-5)
- JOHN HIBBERT (226021-6)
- GEORGE PEARCE (226021-7)
- WILLIAM JOSHUA CLARKE (226021-8)

THE HARTLEY TRUST

England & Wales - Charity number 226021

Accounts

Charity number: 226021

THE HARTLEY TRUST

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

THE HARTLEY TRUST

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THE HARTLEY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2024

Trustees

Nominated Trustee:

The Hartley Trust Corporate Trustee Limited

Directors of The Hartley Trust Corporate Trustee Limited:

W Browne-Swinburne

F S D Hartley Russell

R D Hartley Russell MVO DL, Chairman

G D A Ropner

Honorary Vice Presidents:

Dr B Bruce-Gardner

P Hartley Russell

R F Hartley Russell

Charity registered number

226021

Principal office

The Trust Office
1 Groombridge Place
Donnington
Newbury
Berkshire
RG14 2JQ

Chief executive officer

A Jones-Perrott MRICS

Independent auditor

James Cowper Kreston Audit
Chartered Accountants and Statutory Auditor
2 Communications Road
Greenham Business Park
Greenham
Newbury
Berkshire
RG19 6AB

Solicitors

Blandy & Blandy Solicitors
1 Friar Street
Reading
Berkshire
RG1 1DA

THE HARTLEY TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

The Directors present their annual report together with the audited financial statements of The Hartley Trust for the year ended 31 December 2024. The Directors confirm that the annual report and financial statements of the charity comply with the Charities Act 2011, the requirements of the governing documents and Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) 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 Hartley Trust was founded in 1393 by Sir Richard Abberbury and re founded in 1602 by Queen Elizabeth. It is the tenth oldest Almshouse Foundation in the country, the oldest charity in Berkshire and the twenty third oldest charity in the country. The Hartley Trust is a family charity having been under the patronage of the Hartley Russell family since 1632. The Trust continues its charity work in respect of the provision of relief in need and donations to other charitable causes within its area of benefit.

The Hartley Trust currently owns and manages 71 almshouses in the parishes of Donnington, Bucklebury, Bray and Iffley.

Objectives and activities

The Trust provides warm and comfortable self-contained dwellings to people over the age of 60 primarily from Berkshire and Oxfordshire with limited financial means. Residents are encouraged to lead independent lives but are supported by Welfare Officers to ensure their general wellbeing.

The Directors have had due regard to the Charity Commission's guidance on public benefit.

Review of activities and future developments

Achievements and performance

Review of activities

The Trust's almshouses continue to be extremely popular with residents enjoying the security and support shown by the Chairman, Directors and colleagues which realises a contented, collaborative approach creating a relaxed environment.

During 2024 the demand for Almshouse accommodation remained. The Trust welcomed seven new residents and all almshouses were refurbished. The turnover of Almshouses during the period exceeded the allowed budget but the Directors once again agreed that given demand outstripped supply refurbishments should proceed using financial reserves to accommodate those in need. The Trust aims to refurbish all Almshouses during a void period so that new residents have a modern, and well maintained property to reside in.

The annual events for Residents continued to be a highlight in the year. Summer Luncheon at Bucklebury House, Christmas Carols at both Jesus Hospital and Bucklebury House as well as coffee mornings and trips to Stratfield Saye and Mudeford Quay were well attended and enjoyed by all.

The Trust provides a care alarm for each resident to use in an emergency and these were all updated during the year with new modern digital alarms.

The sale of Wootten House, Iffley occurred during August, although the market for the sale of residential property had slowed, proceeds marginally exceeded the asset value reported on the annual register.

Proceeds from the sale of Wootten House allowed the Trust to purchase 9a Northmoor Road, Summertown as a replacement investment property, in addition the Trust diversified again by investing in private equity. This will be its second investment in this sector. A return is not likely to be seen in the short term but adds to the many strands of investment made. The balancing funds from the sale of Wootten House will be invested at Delnabo Estate in Scotland, an extremely encouraging short-term letting enterprise has revealed significant demand for holiday accommodation in the Cairngorms. Two further letting units will be added to the portfolio making a total of five properties within the sector.

THE HARTLEY TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

Achievements and performance (continued)

A new lease was granted for 3-5 Bridge Street, Newbury to Lloyds Bank. Although high street rents are somewhat depressed the Trust was able to agree a similar passing rent after significant negotiation.

A new lease for 10 years has been offered to the existing tenants of 2 West Mills, Newbury, negotiations are underway to secure similar terms to the existing agreement.

A long-term lease was granted to Littlemore Parish Council for the Oxford Road Recreation Ground and a premium was paid by the Council for this opportunity.

With the Trust in receipt of the above premium the Trust purchased 2 Alexandra Cottages in Donnington to add to its investment portfolio.

With a change in government during 2024 the two potential development sites at Sandford-on-Thames are likely to be considered more attractive within the planning framework, the promoter submitted, via the planning consultant, the Regulation 18 requirement highlighting potential allocations and Regulation 19, promoting sites within the green belt.

Early indications provided by the Trust's insurance broker highlighted a significant increase in premium due to a difficult estates market. In August a change of insurer was sought and the business placed with the NFU.

During 2024 the first phase of commercial tree felling occurred at Delnabo Estate, the net proceeds were paid directly to AMC to reduce an outstanding loan which supported the development at Delnabo.

A quiet period for the residential portfolio with the portfolio remaining, by and large 100% let.

Holiday accommodation on the Cragg estate continues to be successful. Year on year turnover continues to improve as the Trust welcomes visitors to the estate to enjoy its environs and surrounding attractions.

Conservation work on the Cragg estate continues in partnership with the Tyne Rivers Trust. During 2024 a concept for flood plain reconnection was considered.

Environmental Stewardship continues to play an enhanced role with the Trust's agricultural portfolio. In the Pang Valley the Trust is considering the reconstruction of the River Pang, returning the bed of the river to its original location.

Cyclical repairs and improvements continued in an active manner to all facets of the Trust's built portfolio.

The Business Risk Register and Financial Procedures were reviewed in accordance with compliance. James Cowper Kreston Audit, the Trust auditor, was provided with a copy.

Future developments

The Trust continues to provide donations to various worthy causes via its constitution when funds allow.

The Directors are progressive. The strategy is to create a wholly sustainable charitable organisation for the future in an ever-changing world. A mix of assets across the various types of property is actively being refined and additions will be made as and when opportunities arise as highlighted above.

In June 2023, the Chairman of the Hartley Trust, Willie Hartley Russell, was elected Chairman of the Almshouse Association, the national membership organisation for the country's 1,650 almshouse charities. He will hold this position for an initial three-year period.

THE HARTLEY TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

Achievements and performance (continued)

Investment policy and returns

During the year the Trust retained nearly 100% occupancy throughout its investment portfolio.

The financial position of the Trust remains strong. Occupancy rates are a key performance indicator. The Trust present letting property to high standards with an awareness of energy efficiency. A positive, informal, pastoral, and caring relationship with our occupiers has been key to maintaining levels of rent.

During the year the Trust continued to maintain its investment strategy of investing in commercial, agricultural and residential properties in Oxfordshire, Berkshire, Northumberland and Morayshire.

The Directors have made investments in property to generate sufficient returns to fund annual expenditure and to maintain the level of the Fund.

Risk assessment

Nature of investments

The Trust has a long tradition of investing in property, and this is reflected in the original gift of the Manor of Iffley in Oxford by Sir Richard Abberbury in 1393. The property portfolio has been diversified over recent years in terms of geography and property type.

This policy has given rise to the risk that investments are far less liquid than financial investments. This could result in the possible situation of the charity having insufficient cash reserves to fulfil future commitments. However, the Directors consider this unlikely due to the strong cash generation of the diversified property portfolio.

The Trustees are also mindful to ensure that leases relating to significant commercial properties do not terminate or have break clauses at the same date.

Operational risk

There is a risk that one or a number of almshouses could be damaged sufficiently to fundamentally impair the activities of the charity.

The Trustees consider that this risk has been mitigated by the following:

Almshouse properties are fully insured by the charity and additional preventative measures such as smoke alarms and fire equipment have been installed and are maintained and updated as required by statutory legislation. In addition, the properties are subject to a rolling maintenance review to ensure items such as wiring do not pose additional risks.

The Trustees have prepared contingency housing plans should an almshouse be rendered uninhabitable. The Trust maintains a Safeguarding Policy as guided by the Almshouse Association for its residents. All staff who interact with the residents complete DBS checks.

THE HARTLEY TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

Achievements and performance (continued)

Investment risk

There is a risk that a commercial property could be damaged to cause a material loss of operating income which is sufficient to fundamentally impair the operations of the charity.

The Trustees consider that the following steps mitigate against this risk:

The commercial properties are fully insured against damage directly by the charity. In order to protect income loss of rent is insured for a period of 24 months.

Management risk

There is a risk identified that the charity could incur loss directly attributable to the Directors' management decisions, which could be considered negligent, but this has been highlighted in the Trust's Risk Register.

Such a risk is mitigated by the calibre and experience of Directors, the honorary support network and Chief Executive appointed by the charity. At the current time such a policy is considered adequate, having regard to the size and operational strategy of the Trust.

Ongoing review

This report details the major risks identified for the charity. Such risks and the steps taken to mitigate them are to be reviewed by the Directors on an annual basis.

Should any further risks be identified during the year then mitigation will be considered at the next Directors' meeting.

Financial review

Reserves policy

The Trust maintains reserves totalling £55,676,048 at 31 December 2024 (2023: £52,567,064), the bulk of this is held as investment properties. Consolidated investment properties total £54,380,956 (2023: £52,784,013) and charity investment properties of £41,736,450 (2023: £40,319,199).

Financial security is extremely important to the charity so as to maintain the integrity of the almshouses and associated property in respect of maintenance, repair and improvement. As there are differing requirements for funding throughout the year, the Directors monitor income and expenditure closely to ensure sufficient funds are held to meet the needs of the charity. If required, funds could be realised through disposing of investments or bank loans.

The Trust has two loans with the Agricultural Mortgage Corporation both in respect of property purchase and enhancement. It is the intention to continue to reduce these loans when sufficient funds are available. During the year the loans were reduced by 23.5% and during 2025 it is hoped that a similar reduction will occur.

Structure, governance and management

Governing document

The charity is controlled by its governing document, a Charity Commission Scheme that was updated during 2023. It is quite usual and healthy for a charity to review its scheme ensuring that it is structured in accordance with Charity Commission guidance.

THE HARTLEY TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

Structure, governance and management (continued)

Recruitment and appointment of new Directors

The Hartley Trust Corporate Trustee Limited has four Directors. The Corporate Trustee has passed a resolution to adopt the changes to the structure of the Trust.

The Corporate Trustee identified suitable candidates who have different, but complementary skills. One finance related professional, one business professional and two property related professionals.

New Directors are provided with the Trust's Report and Accounts, a history of the Trust, a copy of the Scheme and Memorandum and Articles of Association, access to the Trust's website as well as the Trust's entry on the Charity Commission website. The Chairman outlines the role and responsibilities thoroughly and gives sufficient time for prospective candidates to consider the responsibilities that the role requires. The Trust Office keeps the record of Directors appointments.

In addition, the Trust offers honorary positions to those that are supportive of the Trust's aims and ethos.

Organisation structure and decision making

The Directors have an intimate knowledge of the charity, its assets and its operations.

The Directors meet twice a year, and a formal reporting procedure is in place and decisions are made in an open forum as guided by the Chairman.

Day to day management of the charity's assets is overseen by the Chief Executive who is directed by the Chairman in accordance with the Directors' decision making process.

Risk management

The Trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. A Cyber insurance policy has been implemented. Public, Employer and Environmental insurance is arranged annually. Health and Safety, Risk and COSHH are under constant review and guided by our Health and Safety manager NFU Risk Management Service. The Trustees maintain a full suite of policies and procedures relevant to the charity.

Information on fundraising practices

The Trust was not involved directly or indirectly in any fundraising for its own benefit during 2024 and is unlikely to undertake any fundraising in the near future.

THE HARTLEY TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

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 Group and the Charity and of their incoming resources and application of resources, including their 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 Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Group and 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 Trust deed. They are also responsible for safeguarding the assets of the Group and 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 charitable group'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 charitable group's auditor is aware of that information.

Auditor

The auditor, James Cowper Kreston Audit, has indicated its willingness to continue in office. The designated Trustees will propose a motion reappointing the auditor at a meeting of the Trustees.

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



.....
The Hartley Trust Corporate Trustee Limited

Trustee

Date: 25 June 2025

THE HARTLEY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE HARTLEY TRUST

Opinion

We have audited the financial statements of The Hartley Trust (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 December 2024 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Charity balance sheet, the Consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charity's affairs as at 31 December 2024 and of the Group's incoming resources and application of resources, including its income and expenditure 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 Group 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 Group's or the parent 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 HARTLEY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE HARTLEY TRUST (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
- the parent Charity has not kept sufficient accounting records; or
- the parent Charity 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 Group's and the parent 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 Group or the parent charity or to cease operations, or have no realistic alternative but to do so.

THE HARTLEY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE HARTLEY TRUST (CONTINUED)

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 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.

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 specific procedures for this engagement that we designed and performed to detect material misstatements in respect of irregularities, including fraud, were as follows:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of management and those charged with governance to identify any material instances of non-compliance with laws and regulations;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work to address the risk of irregularities due to management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for evidence of bias.

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

THE HARTLEY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE HARTLEY TRUST (CONTINUED)

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.

James Cowper Kreston Audit

James Cowper Kreston Audit
Chartered Accountants and Statutory Auditor
2 Communications Road
Greenham Business Park
Greenham
Newbury
Berkshire
RG19 6AB

Date: *1 July 2015*

James Cowper Kreston Audit are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

THE HARTLEY TRUST

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income from:				
Charitable activities	3	468,121	468,121	472,348
Other trading activities	4	663,745	663,745	170,527
Investments	5	1,571,197	1,571,197	1,206,697
Other income	6	6,266	6,266	77,006
Total income		2,709,329	2,709,329	1,926,578
Expenditure on:				
Investment management:	7			
Property investment management costs		448,363	448,363	390,468
Other trading activities		492,211	492,211	842,845
Charitable activities	9	1,153,174	1,153,174	1,082,347
Total expenditure		2,093,748	2,093,748	2,315,660
Net income/(expenditure) before net gains on investments		615,581	615,581	(389,082)
Net gains on investments	16	2,492,403	2,492,403	6,048,726
Net income before taxation		3,107,984	3,107,984	5,659,644
Taxation	14	1,000	1,000	(1,290,000)
Net movement in funds		3,108,984	3,108,984	4,369,644
Reconciliation of funds:				
Total funds brought forward		52,567,064	52,567,064	48,197,420
Net movement in funds		3,108,984	3,108,984	4,369,644
Total funds carried forward		55,676,048	55,676,048	52,567,064

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

The notes on pages 16 to 37 form part of these financial statements.

THE HARTLEY TRUST

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	15	3,319,480	3,406,423
Investments	17	146,175	43,254
Investment property	16	54,380,956	52,784,013
		<u>57,846,611</u>	<u>56,233,690</u>
Current assets			
Stocks	18	46,734	37,991
Debtors	19	373,799	194,440
Cash at bank and in hand		1,597,883	461,026
		<u>2,018,416</u>	<u>693,457</u>
Creditors: amounts falling due within one year	20	(591,736)	(439,754)
Net current assets		<u>1,426,680</u>	<u>253,703</u>
Total assets less current liabilities		<u>59,273,291</u>	<u>56,487,393</u>
Creditors: amounts falling due after more than one year	21	(2,308,243)	(2,630,329)
Provisions for liabilities	22	(1,289,000)	(1,290,000)
Total net assets		<u>55,676,048</u>	<u>52,567,064</u>
Charity funds			
Unrestricted funds	23	55,676,048	52,567,064
Total funds		<u>55,676,048</u>	<u>52,567,064</u>

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



 The Hartley Trust Corporate Trustee Limited
 Trustee
 Date: 25th June 2025

The notes on pages 16 to 37 form part of these financial statements.

THE HARTLEY TRUST

CHARITY BALANCE SHEET
AS AT 31 DECEMBER 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	15	2,813,757	2,854,626
Investments	17	5,716,538	5,613,617
Investment property	16	41,736,450	40,319,199
		<u>50,266,745</u>	<u>48,787,442</u>
Current assets			
Debtors	19	3,003,411	2,115,677
Cash at bank and in hand		1,019,249	313,743
		<u>4,022,660</u>	<u>2,429,420</u>
Creditors: amounts falling due within one year	20	(450,948)	(294,219)
Net current assets		<u>3,571,712</u>	<u>2,135,201</u>
Total assets less current liabilities		<u>53,838,457</u>	<u>50,922,643</u>
Creditors: amounts falling due after more than one year	21	(1,507,193)	(1,507,829)
Total net assets		<u>52,331,264</u>	<u>49,414,814</u>
Charity funds			
Restricted funds	23	-	-
Unrestricted funds	23	52,331,264	49,414,814
Total funds		<u>52,331,264</u>	<u>49,414,814</u>

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

Robin Hartley Knivels

The Hartley Trust Corporate Trustee Limited
Trustee

Date: 25 June 2025

The notes on pages 16 to 37 form part of these financial statements.

THE HARTLEY TRUST

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2024

	2024 £	2023 £
Cash flows from operating activities		
Net cash used in operating activities	(910,620)	(550,578)
Cash flows from investing activities		
Interest and rents from investments	1,571,197	1,206,697
Purchase of tangible fixed assets	(21,666)	(207,460)
Purchase of investment property	(1,604,540)	(609,930)
Purchase of unlisted investments	(102,921)	-
Proceeds from sale of listed investments	-	447,049
Proceeds from the sale of tangible fixed assets	3,200	70,324
Proceeds from the sale of investment property	2,600,000	-
Costs of sale of investment property	(66,974)	-
Net cash provided by investing activities	2,378,296	906,680
Cash flows from financing activities		
Repayments of borrowing	(322,086)	(397,513)
Net cash used in financing activities	(322,086)	(397,513)
Change in cash and cash equivalents in the year	1,145,590	(41,411)
Cash and cash equivalents at the beginning of the year	452,279	493,690
Cash and cash equivalents at the end of the year	1,597,869	452,279

The notes on pages 16 to 37 form part of these financial statements

THE HARTLEY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

1. General information

The Hartley Trust is an unincorporated charity. It is registered in England and Wales with charity registered number 226021. The principal address of the Charity is The Trust Office, 1 Groombridge Place, Donnington, Newbury, Berkshire, RG14 2JQ.

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 financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Hartley Trust 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.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

2.2 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.

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.

Charitable activities income is the rent received from the letting of the almshouses.

Investment income comprises of rent from investment properties and interest on bank funds.

Interest on funds held on deposit is included when receivable and the amount can be measured reliable by the charity; this is normally upon notification of the interest paid or payable by the bank.

THE HARTLEY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

2. Accounting policies (continued)

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

2.5 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.

2.6 Tangible fixed assets and depreciation

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 charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Freehold property	- See below
Plant and machinery	- 25% on cost
Motor vehicles	- 25% on cost
Fixtures and fittings	- 4 - 10% on cost

The trustees consider that freehold property is maintained in such a state of repair and antiques hold their value unless impaired, that their residual value is at least equal to its net book value. As a result, the corresponding depreciation would not be material and therefore is not charged in the Statement of Financial Activities.

THE HARTLEY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

2. Accounting policies (continued)

2.7 Investment property

Investment properties are initially recognised at their transaction cost and subsequently measured at fair value. Gains are recognised in the Statement of Financial Activities. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the Statement of Financial Activities.

2.8 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 Consolidated statement of financial activities.

Investments in subsidiaries are valued at cost less provision for impairment.

2.9 Stocks

Stocks and work in progress are valued at the lower of cost and net realisable value.

2.10 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.

2.11 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.

2.12 Liabilities

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

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

2.13 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable surpluses from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

THE HARTLEY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

2. Accounting policies (continued)

2.14 Financial instruments

The charity only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities such as trade and other accounts receivable and payable, loans from banks, loans from related parties and investments in ordinary shares. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using effective interest method.

2.15 Finance leases and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Group. Obligations under such agreements are included in creditors, net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Consolidated statement of financial activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.16 Pensions

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

2.17 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.

Critical areas of judgement:

Tangible fixed assets

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. Residual value assessments consider issues such as the remaining life of the asset and projected disposal values.

Investment properties

Investment properties are valued at market value, which is assessed by the Trustees on an annual basis (see note 16).

THE HARTLEY TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

3. Income from charitable activities

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Almshouses	468,121	468,121	472,348
	<u>468,121</u>	<u>468,121</u>	<u>472,348</u>
Total 2023	<u>472,348</u>	<u>472,348</u>	

4. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income from subsidiary company	663,745	663,745	168,295
Other income	-	-	2,232
	<u>663,745</u>	<u>663,745</u>	<u>170,527</u>

5. Investment income

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Rental income	1,525,667	1,525,667	1,201,930
Interest receivable	12,504	12,504	4,767
Profit on disposal of investment property	33,026	33,026	-
	<u>1,571,197</u>	<u>1,571,197</u>	<u>1,206,697</u>
Total 2024	<u>1,571,197</u>	<u>1,571,197</u>	<u>1,206,697</u>
Total 2023	<u>1,206,697</u>	<u>1,206,697</u>	

THE HARTLEY TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

Rental income

	2024 £	2023 £
Commercial	458,434	467,407
Residential	582,814	576,470
Telecoms	12,848	13,052
Agriculture	80,728	81,183
Other	116,843	63,818
Total	1,251,667	1,201,930

6. Other incoming resources

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Profit on the sale of fixed assets	3,200	3,200	37,912
Conservation income	-	-	39,094
Other income	3,066	3,066	-
Total 2024	6,266	6,266	77,006
Total 2023	77,006	77,006	

THE HARTLEY TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

7. Property investment management costs

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Insurance, rates and other expenses	95,834	95,834	70,504
Light and heat	1,056	1,056	890
Repairs and maintenance	219,593	219,593	200,830
Surveyor costs	3,838	3,838	5,015
Bank loan interest	128,042	128,042	86,476
Cost of conservation	-	-	26,753
Total 2024	448,363	448,363	390,468
Total 2023	390,468	390,468	

8. Analysis of grants

	Grants to Institutions 2024 £	Grants to Individuals 2024 £	Total funds 2024 £	Total funds 2023 £
Grants	42,400	-	42,400	37,179
Total 2023	35,700	1,479	37,179	

THE HARTLEY TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

9. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2024 £	Total 2024 £	Total 2023 £
Costs of maintaining almshouses	1,110,774	1,110,774	1,045,168
Grants	42,400	42,400	37,179
Total 2024	1,153,174	1,153,174	1,082,347
Total 2023	1,082,347	1,082,347	

10. Analysis of expenditure by activities

	Activities undertaken directly 2024 £	Grant funding of activities 2024 £	Support costs 2024 £	Total funds 2024 £	Total funds 2023 £
Costs of maintaining almshouses	536,463	-	574,311	1,110,774	1,045,168
Grants	-	42,400	-	42,400	37,179
Total 2024	536,463	42,400	574,311	1,153,174	1,082,347
Total 2023	537,620	37,179	507,548	1,082,347	

THE HARTLEY TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

10. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2024 £	Total funds 2023 £
Staff costs	340,938	322,256
Depreciation	48,940	48,115
Insurance, rates and other expenses	7,339	13,887
Estate office running costs	28,007	23,097
Bank charges and interest	15,096	2,428
Computer costs	8,729	15,340
Legal and professional fees	64,286	27,327
Other staff costs	4,900	3,868
Travel and subsistence	12,904	11,749
Other costs	125	2,424
Governance costs	33,819	36,985
Bad debts	9,228	72
Total	574,311	507,548

11. Auditor's remuneration

	2024 £	2023 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	14,900	14,450
Fees payable to the Charity's auditor in respect of: All non-audit services not included above	2,700	2,600

THE HARTLEY TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

12. Staff costs

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Wages and salaries	423,707	392,222	332,661	320,856
Social security costs	41,960	37,293	38,274	36,152
Contribution to defined contribution pension schemes	43,018	40,887	33,775	32,380
	<u>508,685</u>	<u>470,402</u>	<u>404,710</u>	<u>389,388</u>

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

	Group 2024 No.	Group 2023 No.	Charity 2024 No.	Charity 2023 No.
Directors and employees	10	9	6	7

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

	Group 2024 No.	Group 2023 No.
In the band £180,001 - £190,000	-	1
In the band £190,001 - £200,000	1	-

The remuneration and benefits received by key management personnel and trustees in the year totalled £214,770 (2023 - £204,034).

13. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2023 - £NIL).

During the year ended 31 December 2024, expenses totalling £4,483 were reimbursed or paid directly to 1 Trustee (2023 - £3,943 to 1 Trustee).

THE HARTLEY TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

14. Taxation

	2024 £	2023 £
Corporation tax		
Total current tax	-	-
Deferred tax		
Origination and reversal of timing differences	(1,000)	1,290,000
Total deferred tax	(1,000)	1,290,000
Taxation on net income	(1,000)	1,290,000

THE HARTLEY TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

15. Tangible fixed assets

Group

	Freehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation					
At 1 January 2024	2,575,500	222,796	206,949	852,471	3,857,716
Additions	-	9,471	-	12,195	21,666
Disposals	-	(5,660)	-	-	(5,660)
At 31 December 2024	2,575,500	226,607	206,949	864,666	3,873,722
Depreciation					
At 1 January 2024	-	111,922	77,316	262,055	451,293
Charge for the year	-	30,258	36,834	41,517	108,609
On disposals	-	(5,660)	-	-	(5,660)
At 31 December 2024	-	136,520	114,150	303,572	554,242
Net book value					
At 31 December 2024	2,575,500	90,087	92,799	561,094	3,319,480
At 31 December 2023	2,575,500	110,874	129,633	590,416	3,406,423

THE HARTLEY TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

15. Tangible fixed assets (continued)

Charity

	Freehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation					
At 1 January 2024	2,395,500	42,670	156,068	567,531	3,161,769
Additions	-	8,071	-	-	8,071
Disposals	-	(5,660)	-	-	(5,660)
At 31 December 2024	<u>2,395,500</u>	<u>45,081</u>	<u>156,068</u>	<u>567,531</u>	<u>3,164,180</u>
Depreciation					
At 1 January 2024	-	30,922	59,913	216,308	307,143
Charge for the year	-	5,595	27,708	15,637	48,940
On disposals	-	(5,660)	-	-	(5,660)
At 31 December 2024	<u>-</u>	<u>30,857</u>	<u>87,621</u>	<u>231,945</u>	<u>350,423</u>
Net book value					
At 31 December 2024	<u>2,395,500</u>	<u>14,224</u>	<u>68,447</u>	<u>335,586</u>	<u>2,813,757</u>
At 31 December 2023	<u>2,395,500</u>	<u>11,748</u>	<u>96,155</u>	<u>351,223</u>	<u>2,854,626</u>

THE HARTLEY TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

16. Investment property

Group

	Freehold investment property £
Valuation	
At 1 January 2024	52,784,013
Additions	1,604,540
Disposals	(2,500,000)
Surplus on revaluation	2,492,403
At 31 December 2024	<u>54,380,956</u>

Charity

	Freehold investment property £
Valuation	
At 1 January 2024	40,319,199
Additions	1,444,848
Disposals	(2,500,000)
Surplus on revaluation	2,472,403
At 31 December 2024	<u>41,736,450</u>

All the investment properties are valued annually by the CEO (A Jones-Perrott MRICS, chartered surveyor).

THE HARTLEY TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

17. Fixed asset investments

Group	Unlisted investments £
Cost or valuation	
At 1 January 2024	43,254
Additions	102,921
	<hr/>
At 31 December 2024	146,175
	<hr/> <hr/>
Net book value	
At 31 December 2024	146,175
	<hr/>
At 31 December 2023	43,254
	<hr/> <hr/>

All the fixed asset investments are held in the UK.

Charity	Investments in subsidiary companies £	Unlisted investments £	Total £
Cost or valuation			
At 1 January 2024	5,570,363	43,254	5,613,617
Additions	-	102,921	102,921
	<hr/>	<hr/>	<hr/>
At 31 December 2024	5,570,363	146,175	5,716,538
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Net book value			
At 31 December 2024	5,570,363	146,175	5,716,538
	<hr/>	<hr/>	<hr/>
At 31 December 2023	5,570,363	43,254	5,613,617
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

THE HARTLEY TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

17. Fixed asset investments (continued)

Principal subsidiaries

The following was a subsidiary undertaking of the Charity:

Name	Company number	Registered office or principal place of business	Included in consolidation
Delnabo Estate Limited	SC126621	Gamekeepers Cottage, Delnabo Estate, Tomintoul, Ballindalloch, Scotland, AB37 9HT	Yes

The financial results of the subsidiary for the year ended 31 December 2024 were:

Name	Income £	Expenditure £	Profit/(loss) for the year £	Net assets £
Delnabo Estate Limited	663,745	(497,670)	166,075	5,057,699

18. Stocks

	Group 2024 £	Group 2023 £
Biological assets - cattle	44,100	36,100
Other stocks	2,634	1,891
	<u>46,734</u>	<u>37,991</u>

19. Debtors

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Trade debtors	45,568	57,250	9,879	49,576
Amounts owed by group undertakings	-	-	2,800,257	2,043,657
Other debtors	27,522	9,341	-	16
Prepayments and accrued income	300,709	124,206	193,275	22,428
Tax recoverable	-	3,643	-	-
	<u>373,799</u>	<u>194,440</u>	<u>3,003,411</u>	<u>2,115,677</u>

THE HARTLEY TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

20. Creditors: Amounts falling due within one year

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Bank overdrafts	14	8,747	14	8,747
Trade creditors	137,760	70,003	101,004	29,956
Other taxation and social security	40,647	37,222	38,702	37,222
Obligations under finance lease and hire purchase contracts	17,443	27,411	-	-
Other creditors	92,417	88,808	58,508	58,554
Accruals and deferred income	303,455	207,563	252,720	159,740
	<u>591,736</u>	<u>439,754</u>	<u>450,948</u>	<u>294,219</u>

	Group 2024 £	Group 2023 £
Deferred income at 1 January 2024	111,291	99,227
Resources deferred during the year	91,764	111,291
Amounts released from previous periods	(111,291)	(99,227)
	<u>91,764</u>	<u>111,291</u>

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

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Bank loans	<u>2,308,243</u>	<u>2,630,329</u>	<u>1,507,193</u>	<u>1,507,829</u>

The Agricultural Mortgage Corporation PLC loan is an interest only loan (interest of 6.35%) secured on Bradfield Farm and Severalls Farm in the village of Stanford Dingley, Berkshire which comprised 191.14 acres.

THE HARTLEY TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

22. Deferred taxation

Group

	2024 £
At the beginning of the period	1,290,000
Credit for the year	(1,000)
	<u>1,289,000</u>

The deferred tax liability is made up as follows:

	Group 2024 £	Group 2023 £
Capital gains	<u>(1,289,000)</u>	<u>(1,290,000)</u>

23. Statement of funds

Statement of funds - current year

	Balance at 1 January 2024 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2024 £
Unrestricted funds					
General Funds - all funds	<u>52,567,064</u>	<u>2,709,329</u>	<u>(2,092,748)</u>	<u>2,492,403</u>	<u>55,676,048</u>

THE HARTLEY TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

23. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 January 2023 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2023 £
Unrestricted funds					
General Funds - all funds	48,197,420	1,926,578	(3,605,660)	6,048,726	52,567,064

THE HARTLEY TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

24. Summary of funds

Summary of funds - current year

	Balance at 1 January 2024 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2024 £
General funds	52,567,064	2,709,329	(2,092,748)	2,492,403	55,676,048

Summary of funds - prior year

	Balance at 1 January 2023 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2023 £
General funds	48,197,420	1,926,578	(3,605,660)	6,048,726	52,567,064

25. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	3,319,480	3,319,480
Fixed asset investments	146,175	146,175
Investment property	54,380,956	54,380,956
Current assets	2,018,416	2,018,416
Creditors due within one year	(591,736)	(591,736)
Creditors due in more than one year	(2,308,243)	(2,308,243)
Provisions for liabilities and charges	(1,289,000)	(1,289,000)
Total	55,676,048	55,676,048

THE HARTLEY TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

25. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior period

	Unrestricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	3,406,423	3,406,423
Fixed asset investments	43,254	43,254
Investment property	52,784,013	52,784,013
Current assets	693,457	693,457
Creditors due within one year	(439,754)	(439,754)
Creditors due in more than one year	(2,630,329)	(2,630,329)
Provisions for liabilities and charges	(1,290,000)	(1,290,000)
Total	<u>52,567,064</u>	<u>52,567,064</u>

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

	Group 2024 £	Group 2023 £
Net income for the period (as per Statement of Financial Activities)	<u>3,108,984</u>	<u>4,369,644</u>
Adjustments for:		
Interests and rents from investments	(1,571,197)	(1,206,697)
Depreciation charges	108,609	112,533
Profit on the sale of fixed assets	(3,200)	(39,439)
Gains on investment properties	(2,492,403)	(6,040,124)
Gains on listed investments	-	(3,902)
(Profit)/loss on disposal of investment properties	(33,026)	315,173
(Increase)/decrease in stocks	(8,743)	4,122
(Increase)/decrease in debtors	(179,359)	729,412
Increase/(decrease) in creditors	160,715	(81,300)
Taxation	(1,000)	1,290,000
Net cash used in operating activities	<u>(910,620)</u>	<u>(550,578)</u>

THE HARTLEY TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

27. Analysis of cash and cash equivalents

	Group 2024 £	Group 2023 £
Cash at bank and in hand	1,597,883	461,026
Bank overdrafts	(14)	(8,747)
Total cash and cash equivalents	1,597,869	452,279

28. Analysis of changes in net debt

	At 1 January 2024 £	Cash flows £	At 31 December 2024 £
Cash at bank and in hand	461,026	1,136,857	1,597,883
Bank overdrafts repayable on demand	(8,747)	8,733	(14)
Debt due after 1 year	(2,630,329)	322,086	(2,308,243)
Obligations under finance lease and hire purchase contracts	(27,411)	9,968	(17,443)
	(2,205,461)	1,477,644	(727,817)

29. Pension commitments

During the year contributions of £43,018 (2023: £40,887) were paid to the defined contribution pension scheme. As at the year end no amounts (2023: £Nil) were unpaid.

30. Related party transactions

There were no related party transactions in the year that require disclosure.

THE HARTLEY TRUST

England & Wales - Charity number 226021

Accounts

Charity number: 226021

THE HARTLEY TRUST

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

THE HARTLEY TRUST

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THE HARTLEY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2023

Trustees

Nominated Trustee:

The Hartley Trust Corporate Trustee Limited

Directors of The Hartley Trust Corporate Trustee Limited:

W Browne-Swinburne

F S D Hartley Russell

R D Hartley Russell MVO DL, Chairman

G D A Ropner

Honorary Vice Presidents:

Dr B Bruce-Gardner

P Hartley Russell

R F Hartley Russell

Charity registered number

226021

Principal office

The Trust Office
1 Groombridge Place
Donnington
Newbury
Berkshire
RG14 2JQ

Chief executive officer

A Jones-Perrott MRICS

Independent auditor

James Cowper Kreston Audit
Chartered Accountants and Statutory Auditor
2 Communications Road
Greenham Business Park
Greenham
Newbury
Berkshire
RG19 6AB

Solicitors

Blandy & Blandy Solicitors
1 Friar Street
Reading
Berkshire
RG1 1DA

THE HARTLEY TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

The Directors of The Hartley Trust Corporate Trustee Limited (the corporate trustee of The Hartley Trust) present their annual report together with the audited financial statements of The Hartley Trust for the year ended 31 December 2023. The Directors confirm that the annual report and financial statements of the charity comply with the Charities Act 2011, the requirements of the governing documents and Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) 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 Hartley Trust (formerly known as Donnington Hospital) was founded in 1393 by Sir Richard Abberbury and re founded in 1602 by Queen Elizabeth. It is the tenth oldest Almshouse Foundation in the country, the oldest charity in Berkshire and the twenty third oldest charity in the country. The Hartley Trust is a family charity having been under the patronage of the Hartley Russell family since 1632. The Trust continues its charity work in respect of the provision of relief in need and donations to other charitable causes within its area of benefit.

The Hartley Trust currently owns and manages 71 almshouses in the parishes of Donnington, Bucklebury, Bray and Iffley.

Objectives and activities

Details of objectives and activities

The Trust provides warm and comfortable self-contained dwellings to retired local people with limited financial means. Residents are encouraged to lead independent lives but are supported by Welfare Officers to ensure their general wellbeing.

The Directors have had due regard to the Charity Commission's guidance on public benefit.

Review of activities and future developments

During the preceding two years the Trust, supported by its solicitors Blandy & Blandy, have been reviewing its constitution with the Charity Commission, the last review being 1989. The initial requests for change were ambitious, with an emphasis on modernising the objectives of the Trust constitution. The Charity Commission's approach remained in accordance with the original founding constitution however some practical outcomes were achieved and confirmed by the Commission during the first quarter of 2023.

1. The full merger of Jesus Hospital in Bray within The Hartley Trust, to avoid the administration of two separate, although linked, charities. The merger was approved by the Charity Commission, the merger deed was prepared and executed.
2. To form and appoint a limited company as the Corporate Trustee of the Charity. This was to protect against personal liability whilst preserving the history and heritage of the Charity. The company, The Hartley Trust Corporate Trustee Limited (Company Number 13486505), was approved.
3. The 'working name' of the Trust to The Hartley Trust was approved given the word 'Hospital' was anachronistic.
4. The Scheme governing the Charity was updated. The Charity had been governed by several schemes over the years and therefore there was a need to form a single document.
5. Widening the geographical area in which the Charity can operate was approved and extended to England and Wales with an emphasis in the first instance to Berkshire and Oxfordshire.

To mark the late Queen's Platinum Jubilee, seventy beech trees were planted on the Cragg Estate in the form of a roundel.

THE HARTLEY TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

Achievements and performance

Review of activities

The Trust's almshouses continue to be extremely popular with residents enjoying the security and support shown by the Chairman, Directors and colleagues which realises a contented, collaborative approach creating a relaxed environment.

During 2023 the demand for Almshouse accommodation remained. The Trust welcomed eight new residents and all almshouses were refurbished. The turnover of Almshouses during the period exceeded the allowed budget but the Directors agreed that given demand outstripped supply refurbishments should proceed using financial reserves to accommodate those in need. The Trust aims to refurbish all Almshouses during a void period so that new residents have a modern, and well maintained property to reside in.

The annual events for Residents continued to be a highlight in the year. Summer Luncheon at Bucklebury House, Christmas Carols at Jesus Hospital, Carols under the Arch at Abberbury Close as well as coffee mornings and a trip to Bletchley Park during September was well attended and enjoyed by all.

Following the constitutional changes the Trust website was refreshed and interactive tools merged so that current residents and applicants could use the website to greater effect.

Following the purchase of Riverside Cottage, Donnington in 2022, a restoration project completed during February 2023 and the property was successfully let on an AST.

A quiet period for the residential portfolio, residential rents were reviewed during August with no disapproval or concern from tenants. The portfolio remains by and large 100% let.

Following negotiations with the tenant of Wootten House, Iffley, Oxford, the Trust, subject to receiving a surrender, agreed to purchase a smaller property for the tenants which would free up this substantial dwelling. Wootten House will then be sold, releasing capital to invest in assets that carry a greater rate of return which would in turn create flexibility and support cashflow. An offer for the smaller property, 9a Northmoor Road, Summertown, Oxford was accepted and conveyancing is underway.

Holiday accommodation on the Cragg estate continues to be successful. Year on year turnover continues to improve as the Trust welcomes visitors to the estate to enjoy its environs and surrounding attractions.

Conservation work on the Cragg estate continues in partnership with the Tyne Rivers Trust. A natural all species fish pass was constructed on the Chesterhope Burn providing free passage to spawning ground. Settlement ponds were constructed on Cragg Farm as well as leaky dams slowing water run-off into the River Rede.

Environmental Stewardship continues to play an enhanced role with the Trust's agricultural portfolio. In the Pang Valley, Bradfield, Pangfield and Severalls Farm the Trust entered a mid-tier Stewardship scheme enabling the incentive to farm in a more environmental manner.

A lengthy negotiation with Lloyds Bank for their occupation of 3-5 Bridge Street, Newbury (Trust's retained commercial property) continued with an in principal agreement reached at the end of 2023. A new lease will be granted for a period of five years.

Rent commenced for the two newly acquired commercial premises following a rent free period. Units 2 and 3 Elgin Trade Park are leased to trade counter operators on ten year leases.

Following negotiations with Littlemore Parish Council, Oxford during 2023 a long lease will be granted for the recreation ground. This will secure much needed community use given urban development in the Parish. The lease was concluded Spring 2024.

Two parcels of land are being promoted as part of the joint South Oxfordshire and Vale of White Horse boroughs' development plan. A Vision Statement has been prepared and submitted by the planning consultant, RIDGE, on behalf of the Promoter.

THE HARTLEY TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

Achievements and performance (continued)

Cyclical repairs and improvements continued in an active manner to all facets of the Trusts built portfolio.

Delnabo Estate Limited - Following the acquisition of Delnabo Estate in October 2021 a significant restoration programme was undertaken during 2022 and 2023. This included the enhancement of the principal house, cottages, farmstead securing infrastructure and seeking planning consent for future opportunities. On completion of restoration the dwellings have been marketed as part of the estate's diverse tourism enterprise.

The Business Risk Register and Financial Procedures were reviewed in accordance with compliance. James Cowper Kreston Audit, the Trust auditor, was provided with a copy.

Looking ahead

The Trust continues to provide donations to various worthy funds via its constitution.

The Directors are progressive. The strategy is to create a wholly sustainable charitable organisation for the future in an ever-changing world. A mix of assets across the various types of property is actively being refined and additions will be made as and when opportunities arise.

In June 2024, the Chairman of the Hartley Trust, Willie Hartley Russell, was elected Chairman of the Almshouse Association, the national membership organisation for the country's 1,650 almshouse charities. He will hold this position for an initial three year period.

Investment policy and returns

During the year the Trust retained nearly 100% occupancy throughout its investment portfolio.

The financial position of the Trust remains strong. Occupancy rates are a key performance indicator. The Trust present letting property to high standards with an awareness of energy efficiency. A positive, informal, pastoral, and caring relationship with our occupiers has been key to maintaining levels of rent.

During the year the Trust continued to maintain its investment strategy of investing in commercial, agricultural and residential properties in Oxfordshire, Berkshire, Northumberland and Morayshire.

The Directors have made investments in property to generate sufficient returns to fund annual expenditure and to maintain the level of the Fund.

Risk assessment

Nature of investments

The Trust has a long tradition of investing in property and this is reflected in the original gift of the Manor of Iffley in Oxford by Sir Richard Abberbury in 1393. The property portfolio has been diversified over recent years in terms of geography and property type.

This policy has given rise to the risk that investments are far less liquid than financial investments. This could result in the possible situation of the charity having insufficient cash reserves to fulfil future commitments. However, the Directors consider this unlikely due to the strong cash generation of the diversified property portfolio.

The Trustees are also mindful to ensure that leases relating to significant commercial properties do not terminate or have break clauses at the same date.

Operational risk

There is a risk that one or a number of almshouses could be damaged sufficiently to fundamentally impair the activities of the charity.

THE HARTLEY TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

Achievements and performance (continued)

The Trustees consider that this risk has been mitigated by the following:

Almshouse properties are fully insured by the charity and additional preventative measures such as smoke alarms and fire equipment have been installed and are maintained and updated as required by statutory legislation. In addition, the properties are subject to a rolling maintenance review to ensure items such as wiring do not pose additional risks.

The Trustees have prepared contingency housing plans should an almshouse be rendered uninhabitable. The Trust maintains a Safeguarding Policy as guided by the Almshouse Association for its residents. All staff who interact with the residents complete DBS checks.

Investment risk

There is a risk that a commercial property could be damaged to cause a material loss of operating income which is sufficient to fundamentally impair the operations of the charity.

The Trustees consider that the following steps mitigate against this risk:

The commercial properties are fully insured against damage directly by the charity. In order to protect income, loss of rent is insured for a period of 24 months.

Management risk

There is a risk identified that the charity could incur loss directly attributable to the Directors' management decisions, which could be considered negligent but this has been highlighted in the Trust's Risk Register.

Such a risk is mitigated by the calibre and experience of Directors, the honorary support network and Chief Executive appointed by the charity. At the current time such a policy is considered adequate, having regard to the size and operational strategy of the Trust.

Ongoing review

This report details the major risks identified for the charity. Such risks and the steps taken to mitigate them are to be reviewed by the Directors on an annual basis.

Should any further risks be identified during the year then mitigation will be considered at the next Directors' meeting.

Financial review

Reserves policy

The Trust maintains reserves totalling £52,567,064 at 31 December 2023 (2022: £48,197,420), the bulk of this is held as investment properties. Consolidated investment properties total £52,784,013 (2022: £46,449,132) and charity investment properties of £40,319,199 (2022: £39,554,200).

Financial security is extremely important to the charity so as to maintain the integrity of the almshouses and associated property in respect of maintenance, repair and improvement. As there are differing requirements for funding throughout the year, the Directors monitor income and expenditure closely to ensure sufficient funds are held to meet the needs of the charity. If required, funds could be realised through disposing of investments or bank loans.

The Trust has two loans with the Agricultural Mortgage Corporation both in respect of property purchase and enhancement. It is the intention to reduce these loans when sufficient funds are available.

THE HARTLEY TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

Structure, governance and management

Governing document

The charity is controlled by its governing document, a Charity Commission Scheme that has been reviewed and updated during 2023. It is quite usual and healthy for a charity to review its scheme ensuring that it is structured in accordance with Charity Commission guidance. Page one and two of this Report sets out the stages by which the Charity structured its review.

Recruitment and appointment of new Directors

The Hartley Trust Corporate Trustee Limited has four Directors. The Corporate Trustee has passed a resolution to adopt the changes to the structure of the Trust.

The Corporate Trustee identified suitable candidates who have different, but complementary skills. One finance related professional, one business professional and two property related professionals.

New Directors are provided with the Trust's Report and Accounts, a history of the Trust, a copy of the Scheme and Memorandum and Articles of Association, access to the Trust's website as well as the Trust's entry on the Charity Commission website. The Chairman outlines the role and responsibilities thoroughly and gives sufficient time for prospective candidates to consider the responsibilities that the role requires. The Trust Office keeps the record of Directors appointments.

In addition, the Trust offers honorary positions to those that are supportive of the Trust's aims and ethos.

Organisation structure and decision making

The Directors have an intimate knowledge of the charity, its assets and its operations.

The Directors meet twice a year and a formal reporting procedure is in place and decisions are made in an open forum as guided by the Chairman.

Day to day management of the charity's assets is overseen by the Chief Executive who is directed by the Chairman in accordance with the Directors' decision making process.

Risk management

The Trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. A Cyber insurance policy has been implemented. Public, Employer and Environmental insurance is arranged annually. Health and Safety, Risk and COSHH are under constant review and guided by our Health and Safety manager NFU Risk Management Service. The Trustees maintain a full suite of policies and procedures relevant to the charity.

Information on fundraising practices

The Trust was not involved directly or indirectly in any fundraising for its own benefit during 2023 and is unlikely to undertake any fundraising in the near future.

THE HARTLEY TRUST

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023**

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 Group and the Charity and of their incoming resources and application of resources, including their 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 Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Group and 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 Trust deed. They are also responsible for safeguarding the assets of the Group and the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditor

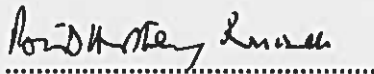
Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group'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 charitable group's auditor is aware of that information.

Auditor

The auditor, James Cowper Kreston Audit, has indicated its willingness to continue in office. The designated Trustees will propose a motion reappointing the auditor at a meeting of the Trustees.

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



.....
The Hartley Trust Corporate Trustee Limited

Trustee

Date: 14 June 2024

THE HARTLEY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE HARTLEY TRUST

Opinion

We have audited the financial statements of The Hartley Trust (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 December 2023 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Charity balance sheet, the Consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charity's affairs as at 31 December 2023 and of the Group's incoming resources and application of resources, including its income and expenditure 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 Group 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 Group's or the parent 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 HARTLEY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE HARTLEY TRUST (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
- the parent Charity has not kept sufficient accounting records; or
- the parent Charity 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 Group's and the parent 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 Group or the parent charity or to cease operations, or have no realistic alternative but to do so.

THE HARTLEY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE HARTLEY TRUST (CONTINUED)

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 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.

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 specific procedures for this engagement that we designed and performed to detect material misstatements in respect of irregularities, including fraud, were as follows:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of management and those charged with governance to identify any material instances of non-compliance with laws and regulations;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work to address the risk of irregularities due to management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for evidence of bias.

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

THE HARTLEY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE HARTLEY TRUST (CONTINUED)

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.

James Cowper Kreston Audit

James Cowper Kreston Audit
Chartered Accountants and Statutory Auditor
2 Communications Road
Greenham Business Park
Greenham
Newbury
Berkshire
RG19 6AB

Date: *24 July 2024*

James Cowper Kreston Audit are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

THE HARTLEY TRUST

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:				
Charitable activities	3	472,348	472,348	449,464
Other trading activities	4	170,527	170,527	76,508
Investments	5	1,206,697	1,206,697	1,095,962
Other income	6	77,006	77,006	227,179
Total income		1,926,578	1,926,578	1,849,113
Expenditure on:				
Investment management:	7			
Property investment management costs		390,468	390,468	469,080
Other trading activities		842,845	842,845	314,601
Charitable activities	9	1,082,347	1,082,347	1,093,862
Total expenditure		2,315,660	2,315,660	1,877,543
Net expenditure before net gains on investments		(389,082)	(389,082)	(28,430)
Net gains on investments		6,048,726	6,048,726	682,861
Net income before taxation		5,659,644	5,659,644	654,431
Taxation	14	(1,290,000)	(1,290,000)	-
Net movement in funds		4,369,644	4,369,644	654,431
Reconciliation of funds:				
Total funds brought forward		48,197,420	48,197,420	47,542,989
Net movement in funds		4,369,644	4,369,644	654,431
Total funds carried forward		52,567,064	52,567,064	48,197,420

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

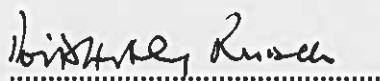
The notes on pages 16 to 37 form part of these financial statements.

THE HARTLEY TRUST

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	15	3,406,423	3,342,382
Investments	17	43,254	486,401
Investment property	16	52,784,013	46,449,132
		<u>56,233,690</u>	<u>50,277,915</u>
Current assets			
Stocks	18	37,991	42,113
Debtors	19	194,440	923,852
Cash at bank and in hand		461,026	493,690
		<u>693,457</u>	<u>1,459,655</u>
Creditors: amounts falling due within one year	20	(439,754)	(512,308)
Net current assets		<u>253,703</u>	<u>947,347</u>
Total assets less current liabilities		<u>56,487,393</u>	<u>51,225,262</u>
Creditors: amounts falling due after more than one year	21	(2,630,329)	(3,027,842)
Provisions for liabilities	22	(1,290,000)	-
Total net assets		<u>52,567,064</u>	<u>48,197,420</u>
Charity funds			
Unrestricted funds	23	52,567,064	48,197,420
Total funds		<u>52,567,064</u>	<u>48,197,420</u>

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



The Hartley Trust Corporate Trustee Limited
Trustee
Date: 14 June 2024


The notes on pages 16 to 37 form part of these financial statements.

THE HARTLEY TRUST

CHARITY BALANCE SHEET
AS AT 31 DECEMBER 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	15	2,854,626	2,816,137
Investments	17	5,613,617	6,056,764
Investment property	16	40,319,199	39,554,200
		<u>48,787,442</u>	<u>48,427,101</u>
Current assets			
Debtors	19	2,115,677	1,564,465
Cash at bank and in hand		313,743	382,993
		<u>2,429,420</u>	<u>1,947,458</u>
Creditors: amounts falling due within one year	20	(294,219)	(400,928)
Net current assets		<u>2,135,201</u>	<u>1,546,530</u>
Total assets less current liabilities		<u>50,922,643</u>	<u>49,973,631</u>
Creditors: amounts falling due after more than one year	21	(1,507,829)	(1,505,342)
Total net assets		<u>49,414,814</u>	<u>48,468,289</u>
Charity funds			
Restricted funds	23	-	-
Unrestricted funds	23	49,414,814	48,468,289
Total funds		<u>49,414,814</u>	<u>48,468,289</u>

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



 The Hartley Trust Corporate Trustee Limited
 Trustee
 Date: 14 June 2024

The notes on pages 16 to 37 form part of these financial statements.

THE HARTLEY TRUST

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2023

	2023 £	2022 £
Cash flows from operating activities		
Net cash used in operating activities	(550,578)	(957,350)
Cash flows from investing activities		
Interest and rents from investments	1,206,697	1,095,962
Purchase of tangible fixed assets	(207,460)	(314,418)
Purchase of investment property	(609,930)	(4,008,464)
Proceeds from sale of listed investments	447,049	-
Proceeds from the sale of tangible fixed assets	70,324	21,832
Net cash provided by/(used in) investing activities	906,680	(3,205,088)
Cash flows from financing activities		
Repayments of borrowing and new borrowing	(397,513)	1,526,282
Net cash (used in)/provided by financing activities	(397,513)	1,526,282
Change in cash and cash equivalents in the year	(41,411)	(2,636,156)
Cash and cash equivalents at the beginning of the year	493,690	3,129,846
Cash and cash equivalents at the end of the year	452,279	493,690

The notes on pages 16 to 37 form part of these financial statements

THE HARTLEY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1. General information

The Hartley Trust is an unincorporated charity. It is registered in England and Wales with charity registered number 226021. The principal address of the Charity is The Trust Office, 1 Groombridge Place, Donnington, Newbury, Berkshire, RG14 2JQ.

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 financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Hartley Trust 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.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

2.2 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.

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.

Charitable activities income is the rent received from the letting of the almshouses.

Investment income comprises of rent from investment properties and interest on bank funds.

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 bank.

THE HARTLEY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

2. Accounting policies (continued)

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

2.5 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.

2.6 Tangible fixed assets and depreciation

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 charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Freehold property	- See below
Plant and machinery	- 25% on cost
Motor vehicles	- 25% on cost
Fixtures and fittings	- 4 - 10% on cost

The trustees consider that freehold property is maintained in such a state of repair and antiques hold their value unless impaired, that their residual value is at least equal to its net book value. As a result, the corresponding depreciation would not be material and therefore is not charged in the Statement of Financial Activities.

THE HARTLEY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

2. Accounting policies (continued)

2.7 Investment property

Investment properties are initially recognised at their transaction cost and subsequently measured at fair value. Gains are recognised in the Statement of Financial Activities. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the Statement of Financial Activities.

2.8 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 Consolidated statement of financial activities.

Investments in subsidiaries are valued at cost less provision for impairment.

2.9 Stocks

Stocks and work in progress are valued at the lower of cost and net realisable value.

2.10 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.

2.11 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.

2.12 Liabilities

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

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

2.13 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable surpluses from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

THE HARTLEY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

2. Accounting policies (continued)

2.14 Financial instruments

The charity only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities such as trade and other accounts receivable and payable, loans from banks, loans from related parties and investments in ordinary shares. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using effective interest method.

2.15 Finance leases and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Group. Obligations under such agreements are included in creditors, net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Consolidated statement of financial activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.16 Pensions

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

2.17 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.

Critical areas of judgement:

Tangible fixed assets

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. Residual value assessments consider issues such as the remaining life of the asset and projected disposal values.

Investment properties

Investment properties are valued at market value, which is assessed by the Trustees on an annual basis (see note 16).

THE HARTLEY TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

3. Income from charitable activities

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Almshouses	472,348	472,348	449,464
Total 2022	449,464	449,464	

4. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from subsidiary company	168,295	168,295	76,508
Other income	2,232	2,232	-
	170,527	170,527	76,508

5. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Rental income	1,201,930	1,201,930	1,093,858
Interest receivable	4,767	4,767	2,104
Total 2023	1,206,697	1,206,697	1,095,962
Total 2022	1,095,962	1,095,962	

THE HARTLEY TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

Rental income

	2023 £	2022 £
Commercial	467,407	428,705
Residential	576,470	540,424
Telecoms	13,052	14,776
Agriculture	81,183	80,890
Other	63,818	29,063
Total	1,201,930	1,093,858

6. Other incoming resources

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Profit on the sale of fixed assets	37,912	37,912	17,683
Conservation income	39,094	39,094	139,496
Promotional agreement income	-	-	70,000
Total 2023	77,006	77,006	227,179
Total 2022	227,179	227,179	

THE HARTLEY TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

7. Property investment management costs

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Insurance, rates and other expenses	70,504	70,504	29,536
Light and heat	890	890	8,731
Repairs and maintenance	200,830	200,830	202,907
Surveyor costs	5,015	5,015	5,561
Bank loan interest	86,476	86,476	38,086
Cost of conservation	26,753	26,753	184,259
Total 2023	390,468	390,468	469,080
Total 2022	469,080	469,080	

8. Analysis of grants

	Grants to Institutions 2023 £	Grants to Individuals 2023 £	Total funds 2023 £	Total funds 2022 £
Grants	35,700	1,479	37,179	51,881
Total 2022	50,345	1,536	51,881	

THE HARTLEY TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

9. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2023 £	Total 2023 £	Total 2022 £
Costs of maintaining almshouses	1,045,168	1,045,168	1,041,981
Grants	37,179	37,179	51,881
Total 2023	<u>1,082,347</u>	<u>1,082,347</u>	<u>1,093,862</u>
Total 2022	<u>1,093,862</u>	<u>1,093,862</u>	

10. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Grant funding of activities 2023 £	Support costs 2023 £	Total funds 2023 £	Total funds 2022 £
Costs of maintaining almshouses	537,620	-	507,548	1,045,168	1,041,981
Grants	-	37,179	-	37,179	51,881
Total 2023	<u>537,620</u>	<u>37,179</u>	<u>507,548</u>	<u>1,082,347</u>	<u>1,093,862</u>
Total 2022	<u>537,831</u>	<u>51,881</u>	<u>504,150</u>	<u>1,093,862</u>	

THE HARTLEY TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

10. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2023 £	Total funds 2022 £
Staff costs	322,256	300,342
Depreciation	48,115	48,202
Insurance, rates and other expenses	13,887	12,517
Estate office running costs	23,097	27,393
Bank charges and interest	2,428	4,089
Computer costs	15,340	8,039
Legal and professional fees	27,327	53,171
Other staff costs	3,868	4,350
Travel and subsistence	11,749	13,046
Other costs	2,424	586
Governance costs	36,985	31,799
Bad debts	72	616
Total	507,548	504,150

11. Auditor's remuneration

	2023 £	2022 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	14,450	13,750
Fees payable to the Charity's auditor in respect of: All non-audit services not included above	2,600	2,500

THE HARTLEY TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

12. Staff costs

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Wages and salaries	392,222	371,720	320,856	321,192
Social security costs	37,293	37,748	36,152	36,565
Contribution to defined contribution pension schemes	40,887	35,945	32,380	30,447
	<u>470,402</u>	<u>445,413</u>	<u>389,388</u>	<u>388,204</u>

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

	Group 2023 No.	Group 2022 No.	Charity 2023 No.	Charity 2022 No.
Directors and employees	<u>9</u>	<u>10</u>	<u>7</u>	<u>8</u>

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

	Group 2023 No.	Group 2022 No.
In the band £170,001 - £180,000	-	1
In the band £180,001 - £190,000	1	-

The remuneration and benefits received by key management personnel and trustees in the year totalled £204,034 (2022 - £190,291).

13. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 31 December 2023, expenses totalling £3,943 were reimbursed or paid directly to 1 Trustee (2022 - £2,076 to 1 Trustee).

THE HARTLEY TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

14. Taxation

	2023 £	2022 £
Corporation tax		
Total current tax	-	-
Deferred tax		
Origination and reversal of timing differences	1,290,000	-
Total deferred tax	1,290,000	-
Taxation on net income	1,290,000	-

THE HARTLEY TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

15. Tangible fixed assets

Group

	Freehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation					
At 1 January 2023	2,575,500	269,828	186,159	844,542	3,876,029
Additions	-	12,147	120,129	75,184	207,460
Disposals	-	(59,178)	(99,339)	(67,255)	(225,772)
At 31 December 2023	2,575,500	222,797	206,949	852,471	3,857,717
Depreciation					
At 1 January 2023	-	131,798	117,898	283,951	533,647
Charge for the year	-	36,714	32,017	43,802	112,533
On disposals	-	(56,590)	(72,599)	(65,698)	(194,887)
At 31 December 2023	-	111,922	77,316	262,055	451,293
Net book value					
At 31 December 2023	2,575,500	110,875	129,633	590,416	3,406,424
At 31 December 2022	2,575,500	138,030	68,261	560,591	3,342,382

THE HARTLEY TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

15. Tangible fixed assets (continued)

Charity

	Freehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation					
At 1 January 2023	2,395,500	39,413	157,634	555,045	3,147,592
Additions	-	10,757	83,773	12,486	107,016
Disposals	-	(7,500)	(85,339)	-	(92,839)
At 31 December 2023	<u>2,395,500</u>	<u>42,670</u>	<u>156,068</u>	<u>567,531</u>	<u>3,161,769</u>
Depreciation					
At 1 January 2023	-	32,462	99,419	199,574	331,455
Charge for the year	-	4,085	27,296	16,734	48,115
On disposals	-	(5,625)	(66,802)	-	(72,427)
At 31 December 2023	<u>-</u>	<u>30,922</u>	<u>59,913</u>	<u>216,308</u>	<u>307,143</u>
Net book value					
At 31 December 2023	<u>2,395,500</u>	<u>11,748</u>	<u>96,155</u>	<u>351,223</u>	<u>2,854,626</u>
At 31 December 2022	<u>2,395,500</u>	<u>6,951</u>	<u>58,215</u>	<u>355,471</u>	<u>2,816,137</u>

THE HARTLEY TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

16. Investment property

Group

	Freehold investment property £
Valuation	
At 1 January 2023	46,449,132
Additions	609,930
Disposals	(254,035)
Surplus on revaluation	6,040,124
Other adjustments	(61,138)
At 31 December 2023	52,784,013

Charity

	Freehold investment property £
Valuation	
At 1 January 2023	39,554,200
Additions	105,612
Surplus on revaluation	659,387
At 31 December 2023	40,319,199

The trustees consider that the valuation of the investment properties at group level at 31 December 2023 has increased from 31 December 2022. All the investment properties are valued annually by the CEO (A Jones-Perrott MRICS, chartered surveyor).

THE HARTLEY TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

17. Fixed asset investments

Group	Listed investments £	Unlisted investments £	Total £
Cost or valuation			
At 1 January 2023	443,147	43,254	486,401
Disposals	(447,049)	-	(447,049)
Revaluations	3,902	-	3,902
At 31 December 2023	-	43,254	43,254
Net book value			
At 31 December 2023	-	43,254	43,254
At 31 December 2022	443,147	43,254	486,401

All the fixed asset investments are held in the UK.

Charity	Investments in subsidiary companies £	Listed investments £	Unlisted investments £	Total £
Cost or valuation				
At 1 January 2023	5,570,363	443,147	43,254	6,056,764
Disposals	-	(447,049)	-	(447,049)
Revaluations	-	3,902	-	3,902
At 31 December 2023	5,570,363	-	43,254	5,613,617
Net book value				
At 31 December 2023	5,570,363	-	43,254	5,613,617
At 31 December 2022	5,570,363	443,147	43,254	6,056,764

THE HARTLEY TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

17. Fixed asset investments (continued)

Principal subsidiaries

The following was a subsidiary undertaking of the Charity:

Name	Company number	Registered office or principal place of business	Included in consolidation
Delnabo Estate Limited	SC126621	Gamekeepers Cottage, Delnabo Estate, Tomintoul, Ballindalloch, Scotland, AB37 9HT	Yes

The financial results of the subsidiary for the year ended 31 December 2023 were:

Name	Income £	Expenditure £	Profit/(loss) for the year £	Net assets £
Delnabo Estate Limited	170,527	(870,885)	(700,358)	4,870,624

18. Stocks

	Group 2023 £	Group 2022 £
Biological assets - cattle	36,100	38,200
Other stocks	1,891	3,913
	<u>37,991</u>	<u>42,113</u>

19. Debtors

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
	-	-	-	-
Trade debtors	57,250	81,116	49,576	77,736
Amounts owed by group undertakings	-	-	2,043,657	858,347
Other debtors	9,341	119,654	16	110,559
Prepayments and accrued income	124,206	640,250	22,428	517,823
Tax recoverable	3,643	82,832	-	-
	<u>194,440</u>	<u>923,852</u>	<u>2,115,677</u>	<u>1,564,465</u>

THE HARTLEY TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

20. Creditors: Amounts falling due within one year

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Bank overdrafts	8,747	-	8,747	-
Trade creditors	70,003	101,093	29,956	29,373
Other taxation and social security	37,222	146,462	37,222	146,462
Obligations under finance lease and hire purchase contracts	27,411	-	-	-
Other creditors	88,808	130,304	58,554	100,304
Accruals and deferred income	207,563	134,449	159,740	124,789
	<u>439,754</u>	<u>512,308</u>	<u>294,219</u>	<u>400,928</u>
			Group 2023 £	Group 2022 £
Deferred income at 1 January 2023			99,227	96,832
Resources deferred during the year			111,291	99,227
Amounts released from previous periods			(99,227)	(96,832)
			<u>111,291</u>	<u>99,227</u>

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

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Bank loans	<u>2,630,329</u>	<u>3,027,842</u>	<u>1,507,829</u>	<u>1,505,342</u>

The Agricultural Mortgage Corporation PLC loan is an interest only loan (interest of 6.35%) secured on Bradfield Farm and Severalls Farm in the village of Stanford Dingley, Berkshire which comprised 191.14 acres.

22. Deferred taxation

Group

Charge for the year	<u>1,290,000</u>
	<u>1,290,000</u>

THE HARTLEY TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

22. Deferred taxation (continued)

The deferred tax liability is made up as follows:

	Group 2023 £	Group 2022 £
Capital gains	(1,290,000)	-
	(1,290,000)	-
	(1,290,000)	-

23. Statement of funds

Statement of funds - current year

	Balance at 1 January 2023 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2023 £
Unrestricted funds					
General Funds - all funds	48,197,420	1,926,578	(3,605,660)	6,048,726	52,567,064
	48,197,420	1,926,578	(3,605,660)	6,048,726	52,567,064
	48,197,420	1,926,578	(3,605,660)	6,048,726	52,567,064

THE HARTLEY TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

23. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 January 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2022 £
Unrestricted funds						
Designated funds						
Investment fund	-	70,000	(2,407)	(67,593)	-	-
Conservation fund	-	139,496	(184,259)	44,763	-	-
	<u>-</u>	<u>209,496</u>	<u>(186,666)</u>	<u>(22,830)</u>	<u>-</u>	<u>-</u>
General funds						
General Funds - all funds	47,542,989	1,639,617	(1,690,877)	22,830	682,861	48,197,420
Total Unrestricted funds	<u>47,542,989</u>	<u>1,849,113</u>	<u>(1,877,543)</u>	<u>-</u>	<u>682,861</u>	<u>48,197,420</u>

THE HARTLEY TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

24. Summary of funds

Summary of funds - current year

	Balance at 1 January 2023 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2023 £
General funds	<u>48,197,420</u>	<u>1,926,578</u>	<u>(3,605,660)</u>	<u>6,048,726</u>	<u>52,567,064</u>

Summary of funds - prior year

	Balance at 1 January 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2022 £
Designated funds	-	209,496	(186,666)	(22,830)	-	-
General funds	47,542,989	1,639,617	(1,690,877)	22,830	682,861	48,197,420
	<u>47,542,989</u>	<u>1,849,113</u>	<u>(1,877,543)</u>	<u>-</u>	<u>682,861</u>	<u>48,197,420</u>

25. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	3,406,423	3,406,423
Fixed asset investments	43,254	43,254
Investment property	52,784,013	52,784,013
Current assets	693,457	693,457
Creditors due within one year	(439,754)	(439,754)
Creditors due in more than one year	(2,630,329)	(2,630,329)
Provisions for liabilities and charges	(1,290,000)	(1,290,000)
Total	<u>52,567,064</u>	<u>52,567,064</u>

THE HARTLEY TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

25. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Unrestricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	3,342,382	3,342,382
Fixed asset investments	486,401	486,401
Investment property	46,449,132	46,449,132
Current assets	1,459,655	1,459,655
Creditors due within one year	(512,308)	(512,308)
Creditors due in more than one year	(3,027,842)	(3,027,842)
	<u>48,197,420</u>	<u>48,197,420</u>
Total		

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

	Group 2023 £	Group 2022 £
Net income for the year (as per Statement of Financial Activities)	<u>4,369,644</u>	<u>654,431</u>
Adjustments for:		
Interests and rents from investments	(1,206,697)	(1,095,962)
Depreciation charges	112,533	93,254
Profit on the sale of fixed assets	(39,439)	(26,950)
Gains on investment properties	(6,040,124)	(747,610)
Gains on listed investments	(3,902)	65,945
Loss on disposal of investment properties	315,173	-
Decrease/(increase) in stocks	4,122	(1,337)
Decrease/(increase) in debtors	729,412	(13,116)
Increase/(decrease) in creditors	(81,300)	113,995
Taxation charge	1,290,000	-
	<u>1,290,000</u>	<u>-</u>
Net cash used in operating activities	<u><u>(550,578)</u></u>	<u><u>(957,350)</u></u>

THE HARTLEY TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

27. Analysis of cash and cash equivalents

	Group 2023 £	Group 2022 £
Cash at bank and in hand	461,026	493,690
Bank overdrafts	(8,747)	-
Total cash and cash equivalents	452,279	493,690

28. Analysis of changes in net debt

	At 1 January 2023 £	Cash flows £	At 31 December 2023 £
Cash at bank and in hand	493,690	(32,664)	461,026
Bank overdrafts repayable on demand	-	(8,747)	(8,747)
Debt due after 1 year	(3,027,842)	397,513	(2,630,329)
Obligations under finance lease and hire purchase contracts	-	(27,411)	(27,411)
	(2,534,152)	328,691	(2,205,461)

29. Pension commitments

During the year contributions of £40,887 (2022: £35,945) were paid to the defined contribution pension scheme. As at the year end no amounts (2022: £Nil) were unpaid.

30. Related party transactions

There were no related party transactions in the year that require disclosure.

THE HARTLEY TRUST

England & Wales - Charity number 226021

Accounts

THE HARTLEY TRUST

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

THE HARTLEY TRUST

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THE HARTLEY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2022

Trustees

Nominated Trustee:

The Hartley Trust Corporate Trustee Limited

Directors of The Hartley Trust Corporate Trustee Limited:

W Browne-Swinburne (appointed 13 April 2022)

F S D Hartley Russell (appointed 25 February 2022)

R D Hartley Russell MVO DL, Chairman

G D A Ropner

Honorary Vice Presidents:

Dr B Bruce-Gardner

P Hartley Russell

R F Hartley Russell

Charity registered number

226021

Principal office

The Trust Office
1 Groombridge Place
Donnington
Newbury
Berkshire
RG14 2JQ

Chief executive officer

A Jones-Perrott MRICS

Independent auditor

James Cowper Kreston Audit
Chartered Accountants and Statutory Auditor
2 Communications Road
Greenham Business Park
Greenham
Newbury
Berkshire
RG19 6AB

Solicitors

Blandy & Blandy Solicitors
1 Friar Street
Reading
Berkshire
RG1 1DA

THE HARTLEY TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

During the prior year the Directors formally approved a number of constitutional changes to the Trust's corporate structure the previous review having taken place in 1989. The changes were introduced to update and modernise the Trust's constitutional structure and objectives. The Trust's solicitors, Blandy and Blandy, were engaged to oversee the proposed changes and liaise with the Charity Commission to effect the changes:

1. To effect the full merger of Jesus Hospital in Bray within The Hartley Trust, to avoid the administration of two separate, although linked, charities. The merger was approved by the Charity Commission, the merger deed was prepared and executed.
2. To form and appoint a limited company as the Corporate Trustee of the Charity. This is to protect against personal liability whilst preserving the history and heritage of the Charity. The company, The Hartley Corporate Trustee Limited (Company Number 13486505), was approved on 30th June 2021.
3. To effect a change to the 'working name' of the Trust to The Hartley Trust. This was proposed given the word 'Hospital' was anachronistic. The Charity Commission approved the change of name.
4. To update the Scheme governing the Charity. The Charity has been governed by a number of schemes over the years and therefore there is a need to update and form a single document.
5. Amend and extend the objects of the Charity. To widen the activities that the Charity can undertake, and the geographical area in which it can operate. Counsel's advice has been sought to effect the proposed changes.

2022 was largely spent liaising with the Charity Commission to agree the amended objects of the Charity, preparing, and drafting the Scheme as well as updating rules and operating policies, it is hoped that during the first quarter of 2023 all matters will be resolved and approved by the Charity Commission.

Felix Hartley Russell was appointed by the Chairman as a third Director from March 2022 and a fourth Director, William Browne-Swinburne appointed in April 2022. Both come from a professional surveying background with Mr Browne-Swinburne connected with other charitable organisations. The Chairman confirmed that there were no conflicts of interest.

The Directors of The Hartley Trust Corporate Trustee Limited (the corporate trustee of The Hartley Trust) present their annual report together with the audited financial statements of The Hartley Trust for the year ended 31 December 2022. The Directors confirm that the annual report and financial statements of the charity comply with the Charities Act 2011, the requirements of the governing documents and Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) 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).

Donnington Hospital (now The Hartley Trust) was founded in 1393 by Sir Richard Abberbury and re founded in 1602 by Queen Elizabeth. It is the tenth oldest Almshouse Foundation in the country, the oldest charity in Berkshire and the twenty third oldest charity in the country. The now newly named Hartley Trust is a family charity having been under the patronage of the Hartley Russell family since 1632. The Trust continues its charity work in respect of the provision of relief in need and donations to other charitable causes within its area of benefit which the Charity Commission has confirmed will be in the first instance favours Oxfordshire and Berkshire but greater flexibility has been approved to include England and Wales.

The Hartley Trust currently owns and manages 71 almshouses in the parishes of Donnington, Bucklebury, Bray and Iffley.

THE HARTLEY TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Objectives and activities

Details of objectives and activities

The Trust provides warm and comfortable self-contained dwellings to retired local people with limited financial means. Residents are encouraged to lead independent lives but are supported by Welfare Officers to ensure their general wellbeing.

The Directors of the corporate trustee have had due regard to the Charity Commission's guidance on public benefit.

Review of activities and future developments

The annual rent of one red rose was sadly not presented to Her Majesty The Queen on the feast of the Nativity of St John the Baptist on 24 June 2022 given Her Majesty's failing health.

During the year the Trust developed Bradfield Farm Cottage, adding to the Trust's residential portfolio. The dwelling was successfully let on the open market.

Risingham House on the Cragg Estate was built using locally sourced materials, furnished, and is let as holiday accommodation complimenting Broadgate Farmhouse and Cragg Lodge both of which are situated on the Estate and let as holiday accommodation.

Following the planting of a number of small woods on the Cragg estate, carbon credits were established and sold, the proceeds of sale were recycled and used to enhance the estate's Environmental and Conservation targets.

The option agreement over a 2-acre paddock at Stanford Dingley was exercised and a sale was agreed.

Riverside Cottage, Donnington was purchased in July adding to the Trust's residential portfolio. The property will require an extensive refurbishment which will be carried out on a piecemeal basis when funds allow.

2-3 Hunts Cottage, Donnington was purchased during August adding to the Trust's residential portfolio and let on the open market.

Two brand new trade counter units were purchased in Elgin, Scotland during October. Both commercial properties form a larger trade park. The units were pre let to reputable businesses for ten years. The initial yield of just over 5% was considered solid.

Following the purchase of the Delnabo Estate in October 2021 an in-house appraisal of its assets was reviewed. A restoration programme commenced with a focus on residential property to achieve comfortable holiday letting accommodation.

THE HARTLEY TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Achievements and performance

Review of activities

The Trust's almshouses continue to be extremely popular with residents enjoying the security and support shown by the Chairman, Directors and colleagues which realises a contented, collaborative approach creating a relaxed environment.

There were seven refurbishments during the year. It is the Trust's policy to refurbish all almshouses on change of resident so that high standards are maintained and residents feel that they are moving into a new home with new beginnings. The works carried out are well thought out with ergonomic kitchen and bathroom design specific for a resident, along with modern certified appliances.

The dilapidated garages to the rear of Donnington Hospital were renovated and it is hoped they will be brought back into use as safe, dry stores for the residents of the almshouses.

The almshouse residents enjoyed a summer luncheon, cream tea aboard the Old Rose of Hungerford and a trip to Kew Gardens as well as Christmas Carols at Abberbury Close and celebrations thereafter.

The Trust continues its responsible approach to Land Management by working with stakeholders to achieve exemplar standards of mixing husbandry with environmental practises. During the year environmental standards excelled on the Cragg Estate and with an open minded approach sustainable management and enhancement was undertaken in partnership with Natural England, Forestry Commission, Northumberland County Council, Tyne Rivers Trust and sponsors Balfour Beatty.

The Business Risk Register and Financial Procedures were reviewed in accordance with compliance. James Cowper Kreston the Trust auditor was provided with a copy.

Looking ahead

The Trust continues to provide donations to various worthy funds via its constitution.

The Directors of the corporate trustee are progressive. The strategy is to create a wholly sustainable charitable organisation for the future in an ever-changing world. A mix of assets across the various types of property is actively being refined and additions will be made as and when opportunities arise.

Investment Policy and Returns

During the year the Trust retained nearly 100% occupancy throughout its investment portfolio.

The financial position of the Trust remains strong. Occupancy rates are a key performance indicator. The Trust present letting property to high standards with an awareness of energy efficiency. A positive, informal, pastoral, and caring relationship with our occupiers has been key to maintaining levels of rent.

During the year the Trust continued to maintain its investment strategy of investing in commercial, agricultural and residential properties in Oxfordshire, Berkshire, Northumberland and Morayshire.

The Directors of the corporate trustee have made investments in property to generate sufficient returns to fund annual expenditure and to maintain the level of the Fund.

THE HARTLEY TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Achievements and performance (continued)

Risk assessment

Nature of investments

The Trust has a long tradition of investing in property and this is reflected in the original gift of the Manor of Iffley in Oxford by Sir Richard Abberbury in 1393. The property portfolio has been diversified over recent years in terms of geography and property type.

This policy has given rise to the risk that investments are far less liquid than financial investments. This could result in the possible situation of the charity having insufficient cash reserves to fulfil future commitments. However, the Directors consider this unlikely due to the strong cash generation of the diversified property portfolio.

The Directors of the corporate trustee are also mindful to ensure that leases relating to significant commercial properties do not terminate or have break clauses at the same date.

Operational risk

There is a risk that one or a number of almshouses could be damaged sufficiently to fundamentally impair the activities of the charity.

The Directors of the corporate trustee consider that this risk has been mitigated by the following:

Almshouse properties are fully insured by the charity and additional preventative measures such as smoke alarms and fire equipment have been installed and are maintained and updated as required by statutory legislation. In addition, the properties are subject to a rolling maintenance review to ensure items such as wiring do not pose additional risks.

The Directors of the corporate trustee have prepared contingency housing plans should an almshouse be rendered uninhabitable. The Trust maintains a Safeguarding Policy as guided by the Almshouse Association for its residents. All staff who interact with the residents complete DBS checks.

Investment risk

There is a risk that a commercial property could be damaged to cause a material loss of operating income which is sufficient to fundamentally impair the operations of the charity.

The Directors of the corporate trustee consider that the following steps mitigate against this risk:

The commercial properties are fully insured against damage directly by the charity. In order to protect income loss of rent is insured for a period of 24 months.

Management risk

There is a risk identified that the charity could incur loss directly attributable to the Directors of the corporate trustee and management decisions, which could be considered negligent but this has been highlighted in the Trust's Risk Register.

Such a risk is mitigated by the calibre and experience of Directors of the corporate trustee, the honorary support network and Chief Executive appointed by the charity. At the current time such a policy is considered adequate, having regard to the size and operational strategy of the Trust.

THE HARTLEY TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Achievements and performance (continued)

Ongoing review

This report details the major risks identified for the charity. Such risks and the steps taken to mitigate them are to be reviewed by the the Directors of the corporate trustee on an annual basis.

Should any further risks be identified during the year then mitigation will be considered at the next board meeting.

Financial review

Reserves policy

The Trust maintains reserves totalling £48,197,420 at 31 December 2022 (2021: £47,542,989), the bulk of this is held as investment properties. Consolidated investment properties total £46,449,132 (2021: £41,691,862) and charity investment properties of £39,554,200 (2021: £35,963,700).

Financial security is extremely important to the charity so as to maintain the integrity of the almshouses and associated property in respect of maintenance, repair and improvement. As there are differing requirements for funding throughout the year, the Directors monitor income and expenditure closely to ensure sufficient funds are held to meet the needs of the charity. If required, funds could be realised through disposing of investments or bank loans.

The Trust has two loans with the Agricultural Mortgage Corporation both in respect of property purchase and enhancement. It is the intention to reduce these loans when sufficient funds are available.

THE HARTLEY TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Structure, governance and management

Governing document

The Trust is controlled by its governing document, a Charity Commission scheme that has been reviewed and the update is due to be confirmed during 2023. It is quite usual and healthy for a charity to review its scheme making sure in accordance with Charity Commission guidance that it is correctly structured. Page one of this report identifies the stages in which the Charity is structuring its review.

Methods of appointment or election of Trustees

The Trust has four Directors. The Corporate Trustee is due to pass a resolution to review the proposed changes to the structure of the Trust.

The Corporate Trustee identified suitable candidates who have different, but complementary skills. One finance related professional, one business professional and two property related professionals.

New Directors are provided with the Trust's Report and Accounts, a history of the Trust, a copy of the Scheme, access to the Trust's website (which is under maintenance presently) as well as the Charity Commission website. The Chairman outlines the role and responsibilities thoroughly and gives sufficient time for prospective candidates to consider the responsibilities that the role requires. The Trust Office keeps the record of Directors appointments.

In addition, the Trust offers honorary positions to those that are supportive of the Trust's aims and ethos.

Organisation structure and decision making

The Directors of the corporate trustee have an intimate knowledge of the charity, its assets and its operations.

The Directors of the corporate trustee meet twice a year and a formal reporting procedure is in place and decisions are made in an open forum as guided by the Chairman.

Day to day management of the charity's assets is overseen by the Chief Executive who is directed by the Chairman in accordance with the Directors of the corporate trustee's decision making process.

Risk management

The Directors of the corporate trustee have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. A Cyber insurance policy has been implemented. Public, Employer and Environmental insurance is arranged annually. Health and Safety, Risk and COSHH are under constant review and guided by our Health and Safety manager NFU Risk Management Service.

Information on fundraising practices

The Trust was not involved directly or indirectly in any fundraising for its own benefit during 2022 and is unlikely to undertake any fundraising in the near future.

THE HARTLEY TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

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 Group and the Charity and of their incoming resources and application of resources, including their 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 Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Group and 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 Trust deed. They are also responsible for safeguarding the assets of the Group and 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 charitable group'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 charitable group's auditor is aware of that information.

Auditor

The auditor, James Cowper Kreston Audit, has indicated its willingness to continue in office. The designated Trustees will propose a motion reappointing the auditor at a meeting of the Trustees.

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



.....
The Hartley Trust Corporate Trustee Limited
Trustee
Date: 23 June 2023

THE HARTLEY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE HARTLEY TRUST

Opinion

We have audited the financial statement of The Hartley Trust (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 December 2022 which comprise the consolidated statement of financial activities, the consolidated balance sheet, the charity balance sheet, the consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statement:

- give a true and fair view of the state of the Group's and of the parent charity's affairs as at 31 December 2022 and of the Group's incoming resources and application of resources, including its income and expenditure 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 statement section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statement 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 Group's or the parent 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 HARTLEY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE HARTLEY TRUST (CONTINUED)

Other information

The other information comprises the information included in the annual report other than the financial statement and our Auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statement 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 statement 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 statement 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 statement; or
- the parent Charity has not kept sufficient accounting records; or
- the parent Charity financial statement 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 statement which give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statement that are free from material misstatement, whether due to fraud or error.

In preparing the financial statement, the Trustees are responsible for assessing the Group's and the parent 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 Group or the parent charity or to cease operations, or have no realistic alternative but to do so.

THE HARTLEY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE HARTLEY TRUST (CONTINUED)

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 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 statement 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 statement.

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 specific procedures for this engagement that we designed and performed to detect material misstatements in respect of irregularities, including fraud, were as follows:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of management and those charged with governance to identify any material instances of non-compliance with laws and regulations;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work to address the risk of irregularities due to management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for evidence of bias.

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

THE HARTLEY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE HARTLEY TRUST (CONTINUED)

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.



James Cowper Kreston Audit
Chartered Accountants and Statutory Auditor
2 Communications Road
Greenham Business Park
Greenham
Newbury
Berkshire
RG19 6AB

23 June 2023

James Cowper Kreston Audit are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

THE HARTLEY TRUST

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:				
Charitable activities	3	449,464	449,464	436,723
Other trading activities	4	76,508	76,508	30,166
Investments	5	1,095,962	1,095,962	1,150,742
Other income	6	227,179	227,179	362,468
Total income		1,849,113	1,849,113	1,980,099
Expenditure on:				
Investment management:	7			
Property investment management costs		469,080	469,080	498,946
Other trading activities		314,601	314,601	118,966
Charitable activities	9	1,093,862	1,093,862	1,089,519
Total expenditure		1,877,543	1,877,543	1,707,431
Net (expenditure)/income before net gains on investments		(28,430)	(28,430)	272,668
Net gains on investments		682,861	682,861	6,848,380
Net movement in funds		654,431	654,431	7,121,048
Reconciliation of funds:				
Total funds brought forward		47,542,989	47,542,989	40,421,941
Net movement in funds		654,431	654,431	7,121,048
Total funds carried forward		48,197,420	48,197,420	47,542,989

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

The notes on pages 17 to 37 form part of these financial statements.

THE HARTLEY TRUST

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	14	3,342,382	3,143,809
Investments	16	486,401	552,346
Investment property	15	46,449,132	41,691,862
		<u>50,277,915</u>	<u>45,388,017</u>
Current assets			
Stocks	17	42,113	14,263
Debtors	18	923,852	910,736
Cash at bank and in hand		493,690	3,129,846
		<u>1,459,655</u>	<u>4,054,845</u>
Creditors: amounts falling due within one year	19	(512,308)	(398,313)
		<u>947,347</u>	<u>3,656,532</u>
Net current assets			
		<u>51,225,262</u>	<u>49,044,549</u>
Creditors: amounts falling due after more than one year	20	(3,027,842)	(1,501,560)
		<u>48,197,420</u>	<u>47,542,989</u>
Total net assets			
		<u>48,197,420</u>	<u>47,542,989</u>
Charity funds			
Unrestricted funds	21	48,197,420	47,542,989
		<u>48,197,420</u>	<u>47,542,989</u>
Total funds			
		<u>48,197,420</u>	<u>47,542,989</u>

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

Ronald Hartley, Trustee

.....
The Hartley Trust Corporate Trustee Limited

Trustee

Date: 23 June 2023

The notes on pages 17 to 37 form part of these financial statements.

THE HARTLEY TRUST

CHARITY BALANCE SHEET
AS AT 31 DECEMBER 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	14	2,816,137	2,806,640
Investments	16	6,056,764	6,122,709
Investment property	15	39,554,200	35,963,700
		<u>48,427,101</u>	<u>44,893,049</u>
Current assets			
Debtors	18	1,564,465	1,513,391
Cash at bank and in hand		382,993	3,016,240
		<u>1,947,458</u>	<u>4,529,631</u>
Creditors: amounts falling due within one year	19	(400,928)	(345,355)
Net current assets		<u>1,546,530</u>	<u>4,184,276</u>
Total assets less current liabilities		<u>49,973,631</u>	<u>49,077,325</u>
Creditors: amounts falling due after more than one year	20	(1,505,342)	(1,501,560)
Total net assets		<u><u>48,468,289</u></u>	<u><u>47,575,765</u></u>
Charity funds			
Restricted funds	21	-	-
Unrestricted funds	21	48,468,289	47,575,765
Total funds		<u><u>48,468,289</u></u>	<u><u>47,575,765</u></u>

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



.....
The Hartley Trust Corporate Trustee Limited
Trustee
Date: 23 June 2023

The notes on pages 17 to 37 form part of these financial statements.

THE HARTLEY TRUST

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022**

	2022	2021
	£	£
Cash flows from operating activities		
Net cash used in operating activities	(957,350)	(1,747,753)
	<hr/>	<hr/>
Cash flows from investing activities		
Interest and rents from investments	1,095,962	1,150,742
Purchase of tangible fixed assets	(314,418)	(408,562)
Purchase of investment property	(4,008,464)	(6,494,199)
Purchase of listed investments	-	(500,000)
Proceeds from sale of investment property	-	11,485,000
Proceeds from the sale of tangible fixed assets	21,832	21,344
	<hr/>	<hr/>
Net cash (used in)/provided by investing activities	(3,205,088)	5,254,325
	<hr/>	<hr/>
Cash flows from financing activities		
Repayments of borrowing and new borrowing	1,526,282	(708,968)
	<hr/>	<hr/>
Net cash provided by/(used in) financing activities	1,526,282	(708,968)
	<hr/>	<hr/>
Change in cash and cash equivalents in the year	(2,636,156)	2,797,604
Cash and cash equivalents at the beginning of the year	3,129,846	332,242
	<hr/>	<hr/>
Cash and cash equivalents at the end of the year	493,690	3,129,846
	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 17 to 37 form part of these financial statements

THE HARTLEY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. General information

The Hartley Trust is an unincorporated charity. It is registered in England and Wales with charity registered number 226021. The principal address of the Charity is The Trust Office, 1 Groombridge Place, Donnington, Newbury, Berkshire, RG14 2JQ.

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 financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Hartley Trust 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.

The consolidated statement of financial activities (SOFA) and consolidated balance sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

2.2 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.

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.

Charitable activities income is the rent received from the letting of the almshouses.

Investment income comprises of rent from investment properties and interest on bank funds.

Interest on funds held on deposit is included when receivable and the amount can be measured reliable by the charity; this is normally upon notification of the interest paid or payable by the bank.

THE HARTLEY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

2.5 Tangible fixed assets and depreciation

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 charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Freehold property	- See below
Plant and machinery	- 25% on cost
Motor vehicles	- 25% on cost
Fixtures and fittings	- 4 - 10% on cost

The trustees consider that freehold property is maintained in such a state of repair and antiques hold their value unless impaired, that their residual value is at least equal to its net book value. As a result, the corresponding depreciation would not be material and therefore is not charged in the Statement of Financial Activities.

2.6 Investment property

Investment properties are initially recognised at their transaction cost and subsequently measured at fair value. Gains are recognised in the Statement of Financial Activities. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the Statement of Financial Activities.

THE HARTLEY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.7 Investments

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

Investments in subsidiaries are valued at cost less provision for impairment.

2.8 Stocks

Stocks and work in progress are valued at the lower of cost and net realisable value.

2.9 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.

2.10 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.

2.11 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.

2.12 Financial instruments

The charity only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities such as trade and other accounts receivable and payable, loans from banks, loans from related parties and investments in ordinary shares. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using effective interest method.

2.13 Pensions

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

THE HARTLEY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.14 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.

Critical areas of judgement:

Tangible fixed assets

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. Residual value assessments consider issues such as the remaining life of the asset and projected disposal values.

Investment properties

Investment properties are valued at market value, which is assessed by the Trustees on an annual basis (see note 15).

3. Income from charitable activities

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Almshouses	449,464	449,464	436,723
Total 2021	436,723	436,723	

THE HARTLEY TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

4. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from subsidiary company	76,508	76,508	30,166
Total 2021	30,166	30,166	

5. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Rental income	1,093,858	1,093,858	1,150,097
Interest receivable	2,104	2,104	645
Total 2022	1,095,962	1,095,962	1,150,742
Total 2021	1,150,742	1,150,742	

Rental income

	2022 £	2021 £
Commercial	428,705	510,621
Residential	540,424	517,144
Telecoms	14,776	12,241
Agriculture	80,890	76,880
Other	29,063	33,211
Total	1,093,858	1,150,097

THE HARTLEY TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

6. Other incoming resources

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Profit on the sale of fixed assets	17,683	17,683	8,244
Conservation income	139,496	139,496	204,224
Promotional agreement income	70,000	70,000	150,000
Total 2022	227,179	227,179	362,468
Total 2021	362,468	362,468	

7. Property investment management costs

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Insurance, rates and other expenses	29,536	29,536	37,059
Light and heat	8,731	8,731	2,761
Repairs and maintenance	202,907	202,907	190,417
Surveyor costs	5,561	5,561	4,125
Bank loan interest	38,086	38,086	19,670
Cost of conservation	184,259	184,259	244,914
Total 2022	469,080	469,080	498,946
Total 2021	498,946	498,946	

8. Analysis of grants

	Grants to Institutions 2022 £	Grants to Individuals 2022 £	Total funds 2022 £	Total funds 2021 £
Grants	50,345	1,536	51,881	71,483
Total 2021	69,400	2,083	71,483	

THE HARTLEY TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

9. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2022 £	Total 2022 £	Total 2021 £
Costs of maintaining almshouses	1,041,981	1,041,981	1,018,036
Grants	51,881	51,881	71,483
Total 2022	1,093,862	1,093,862	1,089,519
Total 2021	1,089,519	1,089,519	

10. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Grant funding of activities 2022 £	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
Costs of maintaining almshouses	537,831	-	504,150	1,041,981	1,018,036
Grants	-	51,881	-	51,881	71,483
Total 2022	537,831	51,881	504,150	1,093,862	1,089,519
Total 2021	562,139	71,483	455,897	1,089,519	

THE HARTLEY TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

10. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2022 £	Total funds 2021 £
Staff costs	300,342	276,325
Depreciation	48,202	49,731
Insurance, rates and other expenses	12,517	14,892
Estate office running costs	27,393	21,644
Bank charges and interest	4,089	2,642
Computer costs	8,039	5,581
Legal and professional fees	53,171	57,149
Other staff costs	4,350	4,345
Travel and subsistence	13,046	11,574
Other costs	586	4,073
Governance costs	31,799	21,401
Bad debts	616	(13,460)
Total	504,150	455,897

11. Auditor's remuneration

	2022 £	2021 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	13,750	10,050
Fees payable to the Charity's auditor in respect of:		
Corporate finance services not included above	-	5,400
All non-audit services not included above	2,500	6,263
	2,500	6,263

THE HARTLEY TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

12. Staff costs

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Wages and salaries	371,720	314,489	321,192	301,468
Social security costs	37,748	33,526	36,565	32,828
Contribution to defined contribution pension schemes	35,945	31,677	30,447	31,507
	<u>445,413</u>	<u>379,692</u>	<u>388,204</u>	<u>365,803</u>

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

	Group 2022 No.	Group 2021 No.	Charity 2022 No.	Charity 2021 No.
Directors and employees	<u>10</u>	<u>8</u>	<u>8</u>	<u>8</u>

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

	Group 2022 No.	Group 2021 No.
In the band £150,001 - £160,000	-	1
In the band £170,001 - £180,000	1	-

The remuneration and benefits received by key management personnel and trustees in the year totalled £190,291 (2021 - £170,014).

13. Trustees' remuneration and expenses

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

During the year ended 31 December 2022, expenses totalling £2,076 were reimbursed or paid directly to 1 Trustee (2021 - £2,803 to 1 Trustee).

THE HARTLEY TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

14. Tangible fixed assets

Group

	Freehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation					
At 1 January 2022	2,575,500	220,680	204,024	624,154	3,624,358
Additions	-	49,148	36,060	229,210	314,418
Disposals	-	-	(53,925)	(8,822)	(62,747)
At 31 December 2022	<u>2,575,500</u>	<u>269,828</u>	<u>186,159</u>	<u>844,542</u>	<u>3,876,029</u>
Depreciation					
At 1 January 2022	-	90,265	125,673	264,611	480,549
Charge for the year	-	41,533	30,074	21,647	93,254
On disposals	-	-	(37,849)	(2,307)	(40,156)
At 31 December 2022	<u>-</u>	<u>131,798</u>	<u>117,898</u>	<u>283,951</u>	<u>533,647</u>
Net book value					
At 31 December 2022	<u>2,575,500</u>	<u>138,030</u>	<u>68,261</u>	<u>560,591</u>	<u>3,342,382</u>
At 31 December 2021	<u>2,575,500</u>	<u>130,415</u>	<u>78,351</u>	<u>359,543</u>	<u>3,143,809</u>

THE HARTLEY TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

14. Tangible fixed assets (continued)

Charity

	Freehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation					
At 1 January 2022	2,395,500	31,245	169,874	529,499	3,126,118
Additions	-	8,168	36,060	32,046	76,274
Disposals	-	-	(48,300)	(6,500)	(54,800)
At 31 December 2022	<u>2,395,500</u>	<u>39,413</u>	<u>157,634</u>	<u>555,045</u>	<u>3,147,592</u>
Depreciation					
At 1 January 2022	-	25,739	108,919	184,820	319,478
Charge for the year	-	6,723	26,725	14,754	48,202
On disposals	-	-	(36,225)	-	(36,225)
At 31 December 2022	<u>-</u>	<u>32,462</u>	<u>99,419</u>	<u>199,574</u>	<u>331,455</u>
Net book value					
At 31 December 2022	<u>2,395,500</u>	<u>6,951</u>	<u>58,215</u>	<u>355,471</u>	<u>2,816,137</u>
At 31 December 2021	<u>2,395,500</u>	<u>5,506</u>	<u>60,955</u>	<u>344,679</u>	<u>2,806,640</u>

THE HARTLEY TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

15. Investment property

Group

	Freehold investment property £
Valuation	
At 1 January 2022	41,691,862
Additions	4,008,464
Surplus on revaluation	748,806
At 31 December 2022	<u>46,449,132</u>

Charity

	Freehold investment property £
Valuation	
At 1 January 2022	35,963,700
Additions	2,841,694
Surplus on revaluation	748,806
At 31 December 2022	<u>39,554,200</u>

The trustees consider that the valuation of the investment properties at group level at 31 December 2022 has increased from 31 December 2021. All the investment properties are valued annually by the CEO (A Jones-Perrott MRICS, chartered surveyor).

THE HARTLEY TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

16. Fixed asset investments

Group	Listed investments £	Unlisted investments £	Total £
Cost or valuation			
At 1 January 2022	509,092	43,254	552,346
Revaluations	(65,945)	-	(65,945)
At 31 December 2022	<u>443,147</u>	<u>43,254</u>	<u>486,401</u>
Net book value			
At 31 December 2022	<u>443,147</u>	<u>43,254</u>	<u>486,401</u>
At 31 December 2021	<u>509,092</u>	<u>43,254</u>	<u>552,346</u>

All the fixed asset investments are held in the UK.

Charity	Investments in subsidiary companies £	Listed investments £	Unlisted investments £	Total £
Cost or valuation				
At 1 January 2022	5,570,363	509,092	43,254	6,122,709
Revaluations	-	(65,945)	-	(65,945)
At 31 December 2022	<u>5,570,363</u>	<u>443,147</u>	<u>43,254</u>	<u>6,056,764</u>
Net book value				
At 31 December 2022	<u>5,570,363</u>	<u>443,147</u>	<u>43,254</u>	<u>6,056,764</u>
At 31 December 2021	<u>5,570,363</u>	<u>509,092</u>	<u>43,254</u>	<u>6,122,709</u>

THE HARTLEY TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

16. Fixed asset investments (continued)

Principal subsidiaries

The following was a subsidiary undertaking of the Charity:

Name	Company number	Registered office or principal place of business	Included in consolidation
Delnabo Estate Limited	SC126621	Gamekeepers Cottage, Delnabo Estate, Tomintoul, Ballindalloch, Scotland, AB37 9HT	Yes

The financial results of the subsidiary for the three months from 1 October 2021 to 31 December 2021 were:

Name	Income £	Expenditure £	Profit/(Loss) / Surplus/ (Deficit) for the period £	Net assets £
Delnabo Estate Limited	76,508	(321,160)	(244,652)	1,475,545

17. Stocks

	Group 2022 £	Group 2021 £
Biological assets - cattle	38,200	12,800
Other stocks	3,913	1,463
	<u>42,113</u>	<u>14,263</u>

THE HARTLEY TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

18. Debtors

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Due after more than one year				
Other debtors	-	500,000	-	500,000
	<u>-</u>	<u>500,000</u>	<u>-</u>	<u>500,000</u>
Trade debtors	81,116	145,605	77,736	144,869
Amounts owed by group undertakings	-	-	858,347	770,932
Other debtors	119,654	14,623	110,559	4,364
Prepayments and accrued income	640,250	250,508	517,823	93,226
Tax recoverable	82,832	-	-	-
	<u>923,852</u>	<u>910,736</u>	<u>1,564,465</u>	<u>1,513,391</u>

19. Creditors: Amounts falling due within one year

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Trade creditors	101,093	70,476	29,373	50,716
Other taxation and social security	146,462	61,464	146,462	61,209
Other creditors	130,304	129,375	100,304	99,375
Accruals and deferred income	134,449	136,998	124,789	134,055
	<u>512,308</u>	<u>398,313</u>	<u>400,928</u>	<u>345,355</u>

	Group 2022 £	Group 2021 £
Deferred income at 1 January 2022	96,832	120,629
Resources deferred during the year	(96,832)	96,832
Amounts released from previous periods	99,227	(120,629)
	<u>99,227</u>	<u>96,832</u>

THE HARTLEY TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

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

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Bank loans	<u>3,027,842</u>	<u>1,501,560</u>	<u>1,505,342</u>	<u>1,501,560</u>

The Agricultural Mortgage Corporation PLC loan is an interest only loan (interest of 1.85%) secured on Bradfield Farm and Severalls Farm in the village of Stanford Dingley, Berkshire which comprised 191.14 acres.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

21. Statement of funds**Statement of funds - current year**

	Balance at 1 January 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2022 £
Unrestricted funds						
Designated funds						
Investment fund	-	70,000	(2,407)	(67,593)	-	-
Conservation fund	-	139,496	(184,259)	44,763	-	-
	<u>-</u>	<u>209,496</u>	<u>(186,666)</u>	<u>(22,830)</u>	<u>-</u>	<u>-</u>
General funds						
General Funds - all funds	<u>47,542,989</u>	<u>1,639,617</u>	<u>(1,690,877)</u>	<u>22,830</u>	<u>682,861</u>	<u>48,197,420</u>
Total Unrestricted funds	<u><u>47,542,989</u></u>	<u><u>1,849,113</u></u>	<u><u>(1,877,543)</u></u>	<u><u>-</u></u>	<u><u>682,861</u></u>	<u><u>48,197,420</u></u>

THE HARTLEY TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

21. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 January 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2021 £
Unrestricted funds						
Designated funds						
Investment fund	49,976	150,000	-	9,173	(209,149)	-
Conservation fund	36,256	204,224	(244,914)	4,434	-	-
	<u>86,232</u>	<u>354,224</u>	<u>(244,914)</u>	<u>13,607</u>	<u>(209,149)</u>	<u>-</u>
General funds						
General funds	40,335,709	1,625,875	(1,462,517)	(13,607)	7,057,529	47,542,989
Total Unrestricted funds	<u>40,421,941</u>	<u>1,980,099</u>	<u>(1,707,431)</u>	<u>-</u>	<u>6,848,380</u>	<u>47,542,989</u>

THE HARTLEY TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

22. Summary of funds

Summary of funds - current year

	Balance at 1 January 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2022 £
Designated funds	-	209,496	(186,666)	(22,830)	-	-
General funds	47,542,989	1,639,617	(1,690,877)	22,830	682,861	48,197,420
	<u>47,542,989</u>	<u>1,849,113</u>	<u>(1,877,543)</u>	<u>-</u>	<u>682,861</u>	<u>48,197,420</u>

Summary of funds - prior year

	Balance at 1 January 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2021 £
Designated funds	86,232	354,224	(244,914)	13,607	(209,149)	-
General funds	40,335,709	1,625,875	(1,462,517)	(13,607)	7,057,529	47,542,989
	<u>40,421,941</u>	<u>1,980,099</u>	<u>(1,707,431)</u>	<u>-</u>	<u>6,848,380</u>	<u>47,542,989</u>

23. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	3,342,382	3,342,382
Fixed asset investments	486,401	486,401
Investment property	46,449,132	46,449,132
Current assets	1,459,655	1,459,655
Creditors due within one year	(512,308)	(512,308)
Creditors due in more than one year	(3,027,842)	(3,027,842)
Total	<u>48,197,420</u>	<u>48,197,420</u>

THE HARTLEY TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

23. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Unrestricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	3,143,809	3,143,809
Fixed asset investments	552,346	552,346
Investment property	41,691,862	41,691,862
Debtors due after more than one year	500,000	500,000
Current assets	3,554,845	3,554,845
Creditors due within one year	(398,313)	(398,313)
Creditors due in more than one year	(1,501,560)	(1,501,560)
Total	<u>47,542,989</u>	<u>47,542,989</u>

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

	Group 2022 £	Group 2021 £
Net income for the year (as per Statement of Financial Activities)	<u>654,431</u>	<u>7,121,048</u>
Adjustments for:		
Interests and rents from investments	(1,095,962)	(1,150,742)
Depreciation charges	93,254	59,050
Profit on the sale of fixed assets	(26,950)	(8,244)
Gains on investment properties	(747,610)	(4,227,413)
Gains on listed investments	65,945	(9,092)
Realised profit from investment properties	-	(2,765,000)
Increase in stocks	(1,337)	(14,263)
Increase in debtors	(13,116)	(764,094)
Increase in creditors	113,995	10,997
Net cash used in operating activities	<u>(957,350)</u>	<u>(1,747,753)</u>

THE HARTLEY TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

25. Analysis of cash and cash equivalents

	Group 2022 £	Group 2021 £
Cash in hand	493,690	3,129,846
Total cash and cash equivalents	493,690	3,129,846

26. Analysis of changes in net debt

	At 1 January 2022 £	Cash flows £	At 31 December 2022 £
Cash at bank and in hand	3,129,846	(2,636,156)	493,690
Debt due after 1 year	(1,501,560)	(1,526,282)	(3,027,842)
	1,628,286	(4,162,438)	(2,534,152)

27. Pension commitments

During the year contributions of £30,447 (2021: £31,507) were paid to the scheme. As at the year end no amounts (2021: £Nil) were unpaid.

28. Related party transactions

During the year one of the Directors of The Hartley Trust Corporate Trustee Limited provided agricultural services to the charity totalling £nil (2021: £250).

THE HARTLEY TRUST

England & Wales - Charity number 226021

Accounts

DONNINGTON HOSPITAL TRUST

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

DONNINGTON HOSPITAL TRUST

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DONNINGTON HOSPITAL TRUST

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

Trustees

Patron:

R D Hartley Russell MVO DL, Chairman (resigned 31 August 2021)

Nominated Trustees:

R F Hartley Russell (resigned 31 August 2021)

G D A Ropner (resigned 31 August 2021)

The Hartley Trust Corporate Trustee Limited (appointed 1 September 2021)

Co-opted Trustees:

Dr B Bruce-Gardner (resigned 31 August 2021)

Ex-Officio Trustees:

Revd W Hunter Smart (resigned 15 September 2021)

Representative of Oxfordshire County Council:

P Hartley Russell (resigned 31 August 2021)

Representative of West Berkshire District Council:

Cllr S Masters (resigned 31 August 2021)

Directors of The Hartley Trust Corporate Trustee Limited:

W Browne-Swinburne

F S D Hartley Russell

R D Hartley Russell MVO DL, Chairman

G D A Ropner

Charity registered number

226021

Principal office

The Trust Office
1 Groombridge Place
Donnington
Newbury
Berkshire
RG14 2JQ

Chief executive officer

A Jones-Perrott MRICS

Independent auditor

James Cowper Kreston
Chartered Accountants and Statutory Auditor
2 Communications Road
Greenham Business Park
Greenham
Newbury
Berkshire
RG19 6AB

DONNINGTON HOSPITAL TRUST

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

Solicitors

Blandy & Blandy Solicitors
1 Friar Street
Reading
Berkshire
RG1 1DA

DONNINGTON HOSPITAL TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

The Directors of The Hartley Trust Corporate Trustee Limited (the corporate trustee of Donnington Hospital Trust) present their annual report together with the audited financial statements of Donnington Hospital Trust for the year ended 31 December 2021. The Directors confirm that the annual report and financial statements of the charity comply with the Charities Act 2011, the requirements of the governing documents and Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) 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).

Donnington Hospital was founded in 1393 by Sir Richard Abberbury and re founded in 1602 by Queen Elizabeth. It is the tenth oldest Almshouse Foundation in the country, the oldest charity in Berkshire and the twenty third oldest charity in the country; it has been under the patronage of the Hartley Russell family since 1632.

A corporate Trustee (The Hartley Trust Corporate Trustee Limited) was established in 2021 and the working name of The Hartley Trust was adopted. The Trust continues its charity work in respect of the provision of relief in need and donations to other charitable causes within its area of benefit.

Over the calendar year The Trust applied for planning consent for a further almshouse at Bucklebury (decision pending) to add to the 71 almshouses in the parishes of Donnington, Bucklebury, Bray and Iffley.

Objectives and activities

Constitutional changes

The Directors of The Hartley Trust Corporate Trustee Limited formally approved a number of constitutional changes to the Trust during the year. The changes were introduced to update and modernise the Trust's constitutional structure and objectives. The Trust's solicitors, Blandy and Blandy, were engaged to oversee the proposed changes and liaise with the Charity Commission to effect the changes:

1. To effect the full merger of Jesus Hospital within The Donnington Hospital Trust, to avoid the administration of two separate, although linked, charities. The merger was approved by the Charity Commission, the merger deed was prepared and executed.
2. To form and appoint a limited company as the Corporate Trustee of the Charity. This is to protect against personal liability whilst preserving the history and heritage of the Charity. The company, The Hartley Corporate Trustee Limited (Company Number 13486505), was approved on 30 June 2021.
3. To effect a change to the 'working name' of the Trust to The Hartley Trust. This was proposed given the word 'Hospital' is misleading. The Charity Commission approved the change of name.
4. To update the Scheme governing the Charity. The Charity has been governed by a number of schemes over the years and therefore there is a need to update and form a single document. This is ongoing.
5. Amend and extend the objects of the Charity. To widen the activities that the Charity can undertake, and the geographical area in which it can operate. Counsel's advice has been sought to effect the proposed changes.

Due to the change in corporate structure, there were a number of Trustee and Ex Officio Trustee resignations which were accepted.

Strategies for achieving objectives

The Trust provides warm and comfortable self-contained dwellings to retired local people with limited financial means. Residents are encouraged to lead independent lives but are supported by wardens to ensure their general wellbeing.

The Directors of the corporate trustee have had due regard to the Charity Commission's guidance on public benefit.

DONNINGTON HOSPITAL TRUST

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

Objectives and activities (continued)

Review of activities and future developments

The annual rent of one red rose was presented to Her Majesty The Queen on the feast of the Nativity of St John the Baptist on 24 June 2021.

On 25 March 2021 the disposal of three commercial properties on Jeune Street, Oxford was completed. The Trust's in house team negotiated a sale with the adjoining owner which realised a premium of 86% above market value. The premises were therefore seen as high worth, low yielding assets and it was agreed that the opportunity should be taken and the proceeds recycled to enhance the Trust's income and balance sheet further.

On 10 December 2021 a further commercial property disposal occurred at Flowers Hill, Bristol. This industrial unit was purchased in 2017 and was considered a large investment for the Trust. With a diminishing lease term and a very buoyant market it was felt that a sale would achieve a premium, and again an opportunity to roll over to other asset classes.

Both sales necessitated a Red Book valuation for the Charity Commission given a disposal of a fixed asset; this was undertaken by experienced RICS Registered Valuers.

On 1 April 2021 the Trust entered into a promotion agreement for two parcels of land at Sandford on Thames, south of Oxford. The chosen promoter was Oxford City Homes Ltd, a wholly owned subsidiary of Oxford City Council. Planning consultants Ridge and Pegasus were appointed to commence the technical survey of both sites. The sites remain in the Green Belt, however the national and local need for housing is well documented. Further sites that previously formed part of the Green Belt in the South Oxfordshire District Council have resulted in much needed housing schemes.

Both sites have been promoted through the Council's 'call for sites' requirement which will be evaluated during 2022.

On 4 June 2021 the Trust purchased No 1 Kingsway Terrace, Donnington adding to the Trust's residential portfolio.

On 1 October 2021 the Trust purchased Delnabo Estate Limited, a 3,000 acre land holding in Banffshire, Scotland. The Directors note the significant attraction to land ownership and the security it brings as well as the diversification benefits for the investment portfolio.

During 2021 the Trust received planning permission for the development of three further dwellings, Cragg Lodge and Risingham House on the Cragg Estate, Northumberland and Bradfield Farm Cottage at Stanford Dingley, Berkshire. Planning permission was also granted for a range of agricultural buildings at Severalls Farm, Stanford Dingley.

Achievements and performance

Review of activities

The Trust's almshouses continue to be extremely popular with residents enjoying the security and support shown by the Chairman, the Directors of the corporate trustee and colleagues which realises a contented, collaborative approach creating a relaxed environment.

There have been a number of refurbishments during the year, albeit these were carried out sensitively given Coronavirus restrictions and the Trust has subsequently welcomed new residents. It is the Trust's policy to refurbish all almshouses on change of resident so that high standards are maintained and residents feel that they are moving into a new home with new beginnings. The works carried out are well thought out with ergonomic kitchen and bathroom design specific for a resident, along with modern certified appliances.

DONNINGTON HOSPITAL TRUST

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

Achievements and performance (continued)

Review of activities (continued)

All almshouses at Donnington Close, Bucklebury were fitted with new double-glazed windows which were well received by residents. This investment in turn will reduce heat loss, aid security and less reliance on energy consumption.

Coronavirus restrictions lifted in time for the almshouse residents to enjoy a summer luncheon as well as Christmas Carols and celebrations thereafter.

To support the Trust's agricultural tenants an investment was made at Severalls Farm, Stanford Dingley whereby a significant contribution was made to develop three purpose built agricultural buildings. This will sustain the holding making sure that it meets the standards of modern farm security.

As an extension to the Hartley Arms, Donnington the adjoining outbuilding was developed to form a coffee shop. This valuable community asset was let to the tenant of the Public House to diversify the offering. The outlet has been well received by the community as well as visitors.

Planning permission was granted for the conversion of a traditional building at Cragg Farm on the Cragg Estate. The conversion was carried out and the dwelling is now let as holiday cottage accommodation.

Planning permission was granted for the development of a four-bedroom detached dwelling on the Cragg Estate. The building of Risingham House was approved by the Trustees and the contract has commenced using a local reputable builder. The dwelling will form part of the Trust's holiday cottage enterprise encouraging visitors to experience rural Northumberland.

Planning permission was granted for the conversion of a disused car port at Bradfield Farm, Stanford Dingley to form a two-bedroom dwelling. The Trustees approved the conversion and the contract has commenced using a local reputable tradesman. Following conversion the dwelling will be let on the open market conventionally.

The Trust continues its responsible approach to land management by working with stakeholders to achieve exemplar standards of mixing husbandry with environmental practises.

A business risk register was completed which will form part of an annual review of compliance. James Cowper Kreston the Trust auditor was provided with a copy.

The Trustees attended a charity training seminar on 27 March 2021 which was presented by the auditor's James Cowper Kreston.

The Trust is a long standing member of the Almshouse Association and we were delighted to be able to host the Association's 75th anniversary of its foundation in September 2021 at which the former Prime Minister, Theresa May, was the principal guest.

Looking ahead

The Trust continues to provide donations to various worthy funds via its constitution.

The Directors of the corporate trustee are progressive. The strategy is to create a wholly sustainable charitable organisation for the future in an ever-changing world. A mix of assets across the various types of property is actively being refined and additions will be made as and when opportunities arise.

DONNINGTON HOSPITAL TRUST

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

Achievements and performance (continued)

Investment Policy and Returns

During the year the Trust retained nearly 100% occupancy throughout its investment portfolio.

The financial position of the Trust remains strong. Occupancy rates are a key performance indicator and therefore buoyant cashflow is being achieved. A positive, informal, pastoral and caring relationship with our occupiers has been key to maintaining levels of rent through the pandemic.

During the year the Trust continued to maintain its investment strategy of investing in commercial, agricultural and residential properties in Oxfordshire, Berkshire, Northumberland and Banffshire in Scotland.

The Directors of the corporate trustee have made investments in property to generate sufficient returns to fund annual expenditure and to maintain the level of the Fund.

Risk assessment

Nature of investments

The Trust has a long tradition of investing in property and this is reflected in the original gift of the Manor of Iffley in Oxford by Sir Richard Abberbury in 1393. The property portfolio has been diversified over recent years in terms of geography and property type.

This policy has given rise to the risk that investments are far less liquid than financial investments. This could result in the possible situation of the charity having insufficient cash reserves to fulfil future commitments. However, the Directors of the corporate trustee consider this unlikely due to the strong cash generation of the diversified property portfolio which has been tested during the Coronavirus pandemic.

The Directors of the corporate trustee are also mindful to ensure that leases relating to significant commercial properties do not terminate or have break clauses at the same date.

Operational risk

There is a risk that one or a number of almshouses could be damaged sufficiently to fundamentally impair the activities of the charity.

The Directors of the corporate trustee consider that this risk has been mitigated by the following:

Almshouse properties are fully insured by the charity and additional preventative measures such as smoke alarms and fire equipment have been installed and are maintained and updated as required by statutory legislation. In addition, the properties are subject to a rolling maintenance review to ensure items such as wiring do not pose additional risks.

The Directors of the corporate trustee have prepared contingency housing plans should an almshouse be rendered uninhabitable. The Trust maintains a Safeguarding Policy as guided by the Almshouse Association for its residents. All staff who interact with the residents complete DBS checks.

DONNINGTON HOSPITAL TRUST

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

Achievements and performance (continued)

Investment risk

There is a risk that a commercial property could be damaged to cause a material loss of operating income which is sufficient to fundamentally impair the operations of the charity.

The Directors of the corporate trustee consider that the following steps mitigate against this risk:

The commercial properties are fully insured against damage directly by the charity. In order to protect income loss of rent is insured for a period of 24 months.

Management risk

There is a risk identified that the charity could incur loss directly attributable to management decisions, this has been highlighted in the Trust's Risk Register.

Such a risk is mitigated by the calibre and experience of the Directors of the corporate trustee, the honorary support network and Chief Executive appointed by the charity. At the current time such a policy is considered adequate, having regard to the size and operational strategy of the Trust.

Ongoing review

This report details the major risks identified for the charity. Such risks and the steps taken to mitigate them are to be reviewed by the the Directors of the corporate trustee on an annual basis.

Should any further risks be identified during the year then mitigation will be considered at the next board meeting.

Financial review

Reserves policy

The Trust maintains consolidated reserves totalling £47,542,989 at 31 December 2021 (£40,421,941 at 31 December 2020), the bulk of this is held as investment properties, consolidated investment properties total £41,691,862 and charity investment properties total £35,963,700.

The increase is due to the disposal of land off Meadow Lane, Iffley, Oxford which was marketed with an allocation for a housing development, the sale of commercial property on Jeune Street, Oxford which realised a premium and the revaluation of the two parcels of land at Sandford on Thames following the completion of the promotion agreement with Oxford City Homes Limited. In accordance with the Charity Commission requirements a Red Book valuation was completed to determine that the charity received the greatest receipt possible over and above a market value for its disposals.

Financial security is extremely important to the charity so as to maintain the integrity of the almshouses and associated property in respect of maintenance, repair and improvement. As there are differing requirements for funding throughout the year, the Directors of the corporate trustee monitor income and expenditure closely to ensure sufficient funds are held to meet the needs of the charity. If required, funds could be realised through disposing of investments or bank loans.

DONNINGTON HOSPITAL TRUST

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

Structure, governance and management

Governing document

The Trust is controlled by its governing document, a Charity Commission scheme that is currently under review. It is quite usual and healthy for a charity to review its scheme making sure in accordance with Charity Commission guidance and that it is correctly structured. Page three of this report identifies the stages in which the Trust is structuring its review.

Recruitment and appointment of new Trustees

The Hartley Corporate Trustee Limited has four Directors, two of whom were appointed post year-end.

The corporate trustee identified suitable candidates who have different, but complementary skills: one finance related professional, one business professional and two property related professionals.

New Directors are provided with the Trust's report and accounts, a history of the Trust, a copy of the scheme, access to the Trust's website (which is under maintenance presently) as well as the Charity Commission website. The Chairman outlines the role and responsibilities thoroughly and gives sufficient time for prospective candidates to consider the responsibilities that the role requires. The Trust office keeps the record of Directors' appointments.

The corporate trustee offers three honorary positions to those that are supportive of the Trust's aims and ethos.

Organisation structure and decision making

The Directors of the corporate trustee have an intimate knowledge of the charity, its assets and its operations.

The Directors of the corporate trustee meet twice a year and a formal reporting procedure is in place and decisions are made in an open forum as guided by the Chairman.

Day to day management of the charity's assets is overseen by the Chief Executive who is directed by the Chairman in accordance with the Directors of the corporate trustee's decision making process.

Risk management

The Directors of the corporate trustee have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. A Cyber insurance policy has been implemented.

Information on fundraising practices

The Trust was not involved directly or indirectly in any fundraising for its own benefit during 2021 and is unlikely to undertake any fundraising in the near future.

DONNINGTON HOSPITAL TRUST

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 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 Group and the Charity and of their incoming resources and application of resources, including their 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 Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Group and 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 Trust deed. They are also responsible for safeguarding the assets of the Group and 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 charitable group'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 charitable group's auditor is aware of that information.

Auditor

The auditor, James Cowper Kreston, has indicated its willingness to continue in office. The designated Trustees will propose a motion reappointing the auditor at a meeting of the Trustees.

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



.....
The Hartley Trust Corporate Trustee Limited
Trustee

Date: 17/6/2022

DONNINGTON HOSPITAL TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DONNINGTON HOSPITAL TRUST

Opinion

We have audited the financial statements of Donnington Hospital Trust (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 December 2021 which comprise the consolidated statement of financial activities, the consolidated balance sheet, the charity balance sheet, the consolidated 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 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charity's affairs as at 31 December 2021 and of the Group's incoming resources and application of resources, including its income and expenditure 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 Group 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 Group's or the parent 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.

DONNINGTON HOSPITAL TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DONNINGTON HOSPITAL TRUST (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
- the parent Charity has not kept sufficient accounting records; or
- the parent Charity 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 Group's and the parent 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 Group or the parent charity or to cease operations, or have no realistic alternative but to do so.

DONNINGTON HOSPITAL TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DONNINGTON HOSPITAL TRUST (CONTINUED)

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 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.

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 specific procedures for this engagement that we designed and performed to detect material misstatements in respect of irregularities, including fraud, were as follows:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of management and those charged with governance to identify any material instances of non compliance with laws and regulations;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work to address the risk of irregularities due to management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for evidence of bias.

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

DONNINGTON HOSPITAL TRUST

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DONNINGTON HOSPITAL TRUST
(CONTINUED)**

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.

James Cowper Kreston

James Cowper Kreston
Chartered Accountants and Statutory Auditor
2 Communications Road
Greenham Business Park
Greenham
Newbury
Berkshire
RG19 6AB

Date: *28/1/2022*

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

DONNINGTON HOSPITAL TRUST

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:				
Charitable activities	3	436,723	436,723	423,649
Other trading activities	4	30,166	30,166	-
Investments	5	1,150,742	1,150,742	1,138,830
Other income	6	362,468	362,468	50,699
Total income		1,980,099	1,980,099	1,613,178
Expenditure on:				
Investment management:	7			
Property investment management costs		498,946	498,946	329,993
Other trading activities		118,966	118,966	-
Charitable activities	9	1,089,519	1,089,519	941,064
Total expenditure		1,707,431	1,707,431	1,271,057
Net income before net gains on investments		272,668	272,668	342,121
Net gains on investments		6,848,380	6,848,380	6,000,090
Net movement in funds		7,121,048	7,121,048	6,342,211
Reconciliation of funds:				
Total funds brought forward		40,421,941	40,421,941	34,079,730
Net movement in funds		7,121,048	7,121,048	6,342,211
Total funds carried forward		47,542,989	47,542,989	40,421,941

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

The notes on pages 18 to 37 form part of these financial statements.

DONNINGTON HOSPITAL TRUST

**CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2021**

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	14	3,143,809	2,807,397
Investments	16	552,346	43,254
Investment property	15	41,691,862	39,690,250
		45,388,017	42,540,901
Current assets			
Stocks	17	14,263	-
Debtors	18	910,736	146,642
Cash at bank and in hand		3,129,846	332,242
		4,054,845	478,884
Creditors: amounts falling due within one year	19	(398,313)	(452,758)
Net current assets		3,656,532	26,126
Total assets less current liabilities		49,044,549	42,567,027
Creditors: amounts falling due after more than one year	20	(1,501,560)	(2,145,086)
Total net assets		47,542,989	40,421,941
Charity funds			
Restricted funds	21	-	-
Unrestricted funds	21	47,542,989	40,421,941
Total funds		47,542,989	40,421,941

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



.....
The Hartley Trust Corporate Trustee Limited

Trustee

Date: 17/6/2022

The notes on pages 18 to 37 form part of these financial statements.

DONNINGTON HOSPITAL TRUST

**CHARITY BALANCE SHEET
AS AT 31 DECEMBER 2021**

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	14	2,806,640	2,807,397
Investments	16	6,122,709	43,254
Investment property	15	35,963,700	39,690,250
		44,893,049	42,540,901
Current assets			
Debtors	18	1,513,391	146,642
Cash at bank and in hand		3,016,240	332,242
		4,529,631	478,884
Creditors: amounts falling due within one year	19	(345,355)	(452,758)
		4,184,276	26,126
Net current assets			
		49,077,325	42,567,027
Total assets less current liabilities			
Creditors: amounts falling due after more than one year	20	(1,501,560)	(2,145,086)
		47,575,765	40,421,941
Total net assets			
		47,575,765	40,421,941
Charity funds			
Restricted funds	21	-	-
Unrestricted funds	21	47,575,765	40,421,941
		47,575,765	40,421,941
Total funds			
		47,575,765	40,421,941

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



.....
The Hartley Trust Corporate Trustee Limited
Trustee

Date: 17/6/2022

The notes on pages 18 to 37 form part of these financial statements.

DONNINGTON HOSPITAL TRUST

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021**

	2021 £	2020 £
Cash flows from operating activities		
Net cash used in operating activities	(1,747,753)	(619,634)
	<hr/>	<hr/>
Cash flows from investing activities		
Interests and rents from investments	1,150,742	1,138,830
Purchase of tangible fixed assets	(408,562)	(79,197)
Purchase of investment property	(6,494,199)	(379,411)
Purchase of listed investments	(500,000)	-
Proceeds from sale of investment property	11,485,000	-
Proceeds from the sale of tangible fixed assets	21,344	27,500
Transfers between investment property and tangible fixed assets	-	(43,003)
	<hr/>	<hr/>
Net cash provided by investing activities	5,254,325	664,719
	<hr/>	<hr/>
Cash flows from financing activities		
Repayments of borrowing	(708,968)	49,499
	<hr/>	<hr/>
Net cash (used in)/provided by financing activities	(708,968)	49,499
	<hr/>	<hr/>
Change in cash and cash equivalents in the year	2,797,604	94,584
Cash and cash equivalents at the beginning of the year	332,242	237,658
	<hr/>	<hr/>
Cash and cash equivalents at the end of the year	3,129,846	332,242
	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 18 to 37 form part of these financial statements

DONNINGTON HOSPITAL TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. General information

Donnington Hospital Trust is an unincorporated charity. It is registered in England and Wales with charity registered number 226021. The principal address of the Charity is The Trust Office, 1 Groombridge Place, Donnington, Newbury, Berkshire, RG14 2JQ.

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 financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Donnington Hospital Trust 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.

The consolidated statement of financial activities (SOFA) and consolidated balance sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

2.2 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.

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.

Charitable activities income is the rent received from the letting of the almshouses.

Investment income comprises of rent from investment properties and interest on bank funds.

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 bank.

DONNINGTON HOSPITAL TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

2.5 Tangible fixed assets and depreciation

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 charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Freehold property	- See below
Plant and machinery	- 25% on cost
Motor vehicles	- 25% on cost
Fixtures and fittings	- 4 - 10% on cost

The trustees consider that freehold property is maintained in such a state of repair and antiques hold their value unless impaired, that their residual value is at least equal to its net book value. As a result, the corresponding depreciation would not be material and therefore is not charged in the Statement of Financial Activities.

2.6 Investment property

Investment properties are initially recognised at their transaction cost and subsequently measured at fair value. Gains are recognised in the Statement of Financial Activities. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the Statement of Financial Activities.

DONNINGTON HOSPITAL TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.7 Investments

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

Investments in subsidiaries are valued at cost less provision for impairment.

2.8 Stocks

Stocks and work in progress are valued at the lower of cost and net realisable value.

2.9 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.

2.10 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.

2.11 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.

2.12 Financial instruments

The charity only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities such as trade and other accounts receivable and payable, loans from banks, loans from related parties and investments in ordinary shares. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using effective interest method.

2.13 Pensions

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

DONNINGTON HOSPITAL TRUST

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

2. Accounting policies (continued)

2.14 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.

Critical areas of judgement:

Tangible fixed assets

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. Residual value assessments consider issues such as the remaining life of the asset and projected disposal values.

Investment properties

Investment properties are valued at market value, which is assessed by the Trustees on an annual basis (see note 15).

3. Income from charitable activities

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Almshouses	436,723	436,723	423,649
Total 2020	423,649	423,649	

4. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from subsidiary company	30,166	30,166	-

DONNINGTON HOSPITAL TRUST

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

5. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Rental income	1,150,097	1,150,097	1,138,662
Interest receivable	645	645	168
Total 2021	1,150,742	1,150,742	1,138,830
Total 2020	1,138,830	1,138,830	

Rental income

	2021 £	2020 £
Commercial	510,621	535,444
Residential	517,144	493,865
Telecoms	12,241	14,257
Agriculture	76,880	83,403
Other	33,211	11,693
Total	1,150,097	1,138,662

6. Other incoming resources

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Profit on the sale of fixed assets	8,244	8,244	13,097
Conservation income	204,224	204,224	37,602
Promotional agreement income	150,000	150,000	-
Total 2021	362,468	362,468	50,699
Total 2020	50,699	50,699	

DONNINGTON HOSPITAL TRUST

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

7. Property investment management costs

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Insurance, rates and other expenses	37,059	37,059	42,916
Light and heat	2,761	2,761	9,046
Repairs and maintenance	190,417	190,417	197,715
Surveyor costs	4,125	4,125	17,643
Bank loan interest	19,670	19,670	36,303
Cost of development	-	-	25,024
Cost of conservation	244,914	244,914	1,346
Total 2021	<u>498,946</u>	<u>498,946</u>	<u>329,993</u>
Total 2020	<u>329,993</u>	<u>329,993</u>	

8. Analysis of grants

	Grants to Institutions 2021 £	Grants to Individuals 2021 £	Total funds 2021 £	Total funds 2020 £
Grants	<u>69,400</u>	<u>2,083</u>	<u>71,483</u>	<u>11,918</u>
Total 2020	<u>7,000</u>	<u>4,918</u>	<u>11,918</u>	

DONNINGTON HOSPITAL TRUST

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

9. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Costs of maintaining almshouses	1,018,036	1,018,036	929,146
Grants	71,483	71,483	11,918
Total 2021	<u>1,089,519</u>	<u>1,089,519</u>	<u>941,064</u>
Total 2020	<u>941,064</u>	<u>941,064</u>	

10. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Grant funding of activities 2021 £	Support costs 2021 £	Total funds 2021 £	Total funds 2020 £
Costs of maintaining almshouses	562,139	-	455,897	1,018,036	929,146
Grants	-	71,483	-	71,483	11,918
Total 2021	<u>562,139</u>	<u>71,483</u>	<u>455,897</u>	<u>1,089,519</u>	<u>941,064</u>
Total 2020	<u>395,859</u>	<u>11,918</u>	<u>533,287</u>	<u>941,064</u>	

DONNINGTON HOSPITAL TRUST

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

10. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2021 £	Total funds 2020 £
Staff costs	276,325	265,699
Depreciation	49,731	43,541
Insurance, rates and other expenses	14,892	7,218
Estate office running costs	21,644	43,604
Bank charges and interest	2,642	1,532
Computer costs	5,581	9,281
Legal and professional fees	57,149	79,233
Other staff costs	4,345	3,664
Travel and subsistence	11,574	8,294
Other costs	4,073	3,549
Governance costs	21,401	20,059
Bad debts	(13,460)	47,613
Total	455,897	533,287

11. Auditor's remuneration

	2021 £	2020 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	10,050	9,550
Fees payable to the Charity's auditor in respect of:		
Corporate finance services not included above	5,400	-
All non-audit services not included above	6,263	7,208
	21,713	16,758

DONNINGTON HOSPITAL TRUST

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

12. Staff costs

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Wages and salaries	301,468	292,445	301,468	292,445
Social security costs	32,828	31,651	32,828	31,651
Contribution to defined contribution pension schemes	31,507	30,421	31,507	30,421
	<u>365,803</u>	<u>354,517</u>	<u>365,803</u>	<u>354,517</u>

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

	Group 2021 No.	Group 2020 No.
Staff	<u>8</u>	<u>8</u>

The subsidiary company employed two staff members during the 3 month period 1 October 2021 to 31 December 2021.

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

	Group 2021 No.	Group 2020 No.
In the band £150,001 - £160,000	1	1

The remuneration and benefits received by key management personnel and trustees in the year totalled £170,014 (2020 - £167,449).

13. Trustees' remuneration and expenses

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

During the year ended 31 December 2021, expenses totalling £2,803 were reimbursed or paid directly to 1 Trustee (2020 - £1,863 to 1 Trustee).

DONNINGTON HOSPITAL TRUST

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

14. Tangible fixed assets

Group

	Freehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation					
At 1 January 2021	2,395,500	30,105	163,730	522,409	3,111,744
Additions	-	327,762	54,133	26,667	408,562
Disposals	-	-	(47,700)	-	(47,700)
At 31 December 2021	<u>2,395,500</u>	<u>357,867</u>	<u>170,163</u>	<u>549,076</u>	<u>3,472,606</u>
Depreciation					
At 1 January 2021	-	20,603	110,109	173,635	304,347
Charge for the year	-	12,983	33,410	12,657	59,050
On disposals	-	-	(34,600)	-	(34,600)
At 31 December 2021	<u>-</u>	<u>33,586</u>	<u>108,919</u>	<u>186,292</u>	<u>328,797</u>
Net book value					
At 31 December 2021	<u>2,395,500</u>	<u>324,281</u>	<u>61,244</u>	<u>362,784</u>	<u>3,143,809</u>
At 31 December 2020	<u>2,395,500</u>	<u>9,502</u>	<u>53,621</u>	<u>348,774</u>	<u>2,807,397</u>

DONNINGTON HOSPITAL TRUST

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

14. Tangible fixed assets (continued)

Charity

	Freehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation					
At 1 January 2021	2,395,500	30,105	163,730	522,409	3,111,744
Additions	-	1,140	53,844	7,090	62,074
Disposals	-	-	(47,700)	-	(47,700)
At 31 December 2021	<u>2,395,500</u>	<u>31,245</u>	<u>169,874</u>	<u>529,499</u>	<u>3,126,118</u>
Depreciation					
At 1 January 2021	-	20,603	110,109	173,635	304,347
Charge for the year	-	5,136	33,410	11,185	49,731
On disposals	-	-	(34,600)	-	(34,600)
At 31 December 2021	<u>-</u>	<u>25,739</u>	<u>108,919</u>	<u>184,820</u>	<u>319,478</u>
Net book value					
At 31 December 2021	<u><u>2,395,500</u></u>	<u><u>5,506</u></u>	<u><u>60,955</u></u>	<u><u>344,679</u></u>	<u><u>2,806,640</u></u>
At 31 December 2020	<u><u>2,395,500</u></u>	<u><u>9,502</u></u>	<u><u>53,621</u></u>	<u><u>348,774</u></u>	<u><u>2,807,397</u></u>

DONNINGTON HOSPITAL TRUST

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

15. Investment property

Group

**Freehold
investment
property
£**

Valuation

At 1 January 2021	39,690,250
Additions	6,494,199
Disposals	(8,720,000)
Surplus on revaluation	4,227,413
At 31 December 2021	41,691,862

Charity

**Freehold
investment
property
£**

Valuation

At 1 January 2021	39,690,250
Additions	766,037
Disposals	(8,720,000)
Surplus on revaluation	4,227,413
At 31 December 2021	35,963,700

The trustees consider that the valuation of the investment properties at group level at 31 December 2021 has increased from 31 December 2020. All the investment properties are valued annually by the CEO (Alasdair Jones-Perrott, chartered surveyor).

DONNINGTON HOSPITAL TRUST

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

16. Fixed asset investments

Group	Listed investments £	Unlisted investments £	Total £
Cost or valuation			
At 1 January 2021	-	43,254	43,254
Additions	500,000	-	500,000
Revaluations	9,092	-	9,092
At 31 December 2021	<u>509,092</u>	<u>43,254</u>	<u>552,346</u>
Net book value			
At 31 December 2021	<u>509,092</u>	<u>43,254</u>	<u>552,346</u>
At 31 December 2020	<u>-</u>	<u>43,254</u>	<u>43,254</u>

All the fixed asset investments are held in the UK.

Charity	Investments in subsidiary companies £	Listed investments £	Unlisted investments £	Total £
Cost or valuation				
At 1 January 2021	-	-	43,254	43,254
Additions	5,570,363	500,000	-	6,070,363
Revaluations	-	9,092	-	9,092
At 31 December 2021	<u>5,570,363</u>	<u>509,092</u>	<u>43,254</u>	<u>6,122,709</u>
Net book value				
At 31 December 2021	<u>5,570,363</u>	<u>509,092</u>	<u>43,254</u>	<u>6,122,709</u>
At 31 December 2020	<u>-</u>	<u>-</u>	<u>43,254</u>	<u>43,254</u>

DONNINGTON HOSPITAL TRUST

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

16. Fixed asset investments (continued)

Principal subsidiaries

The following was a subsidiary undertaking of the Charity:

Name	Company number	Registered office or principal place of business	Included in consolidation
Delnabo Estate Limited	SC126621	Gamekeepers Cottage, Delnabo Estate, Tomintoul, Ballindalloch, Scotland, AB37 9HT	Yes

The financial results of the subsidiary for the three months from 1 October 2021 to 31 December 2021 were:

Name	Income £	Expenditure £	Profit/(Loss) / Surplus/ (Deficit) for the period £	Net assets £
Delnabo Estate Limited	30,166	(118,647)	(88,481)	1,720,195

17. Stocks

	Group 2021 £	Group 2020 £
Biological assets - cattle	12,800	-
Other stocks	1,463	-
	<u>14,263</u>	<u>-</u>

18. Debtors

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Due after more than one year				
Other debtors	500,000	-	500,000	-
	<u>500,000</u>	<u>-</u>	<u>500,000</u>	<u>-</u>
Trade debtors	145,605	123,778	144,869	123,778
Amounts owed by group undertakings	-	-	770,932	-
Other debtors	14,623	-	4,364	-
Prepayments and accrued income	250,508	22,864	93,226	22,864
	<u>910,736</u>	<u>146,642</u>	<u>1,513,391</u>	<u>146,642</u>

DONNINGTON HOSPITAL TRUST

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

19. Creditors: Amounts falling due within one year

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Bank loans	-	65,442	-	65,442
Trade creditors	70,476	46,273	50,716	46,273
Other taxation and social security	61,464	39,360	61,209	39,360
Other creditors	129,375	101,754	99,375	101,754
Accruals and deferred income	136,998	199,929	134,055	199,929
	<u>398,313</u>	<u>452,758</u>	<u>345,355</u>	<u>452,758</u>
				Group 2021 £
Deferred income at 1 January 2021				120,629
Resources deferred during the year				96,832
Amounts released from previous periods				(120,629)
				<u>96,832</u>

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

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Bank loans	1,501,560	2,145,086	1,501,560	2,145,086
	<u>1,501,560</u>	<u>2,145,086</u>	<u>1,501,560</u>	<u>2,145,086</u>

The Agricultural Mortgage Corporation PLC loan is an interest only loan (interest of 1.85%) secured on Bradfield Farm and Severalls Farm in the village of Stanford Dingley, Berkshire which comprised 191.14 acres.

DONNINGTON HOSPITAL TRUST

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

21. Statement of funds

Statement of funds - current year

	Balance at 1 January 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2021 £
Unrestricted funds						
Designated funds						
Investment fund	49,976	150,000	-	9,173	(209,149)	-
Conservation fund	36,256	204,224	(244,914)	4,434	-	-
	<u>86,232</u>	<u>354,224</u>	<u>(244,914)</u>	<u>13,607</u>	<u>(209,149)</u>	<u>-</u>
General funds						
General funds	40,335,709	1,625,875	(1,462,517)	(13,607)	7,057,529	47,542,989
Total Unrestricted funds	<u><u>40,421,941</u></u>	<u><u>1,980,099</u></u>	<u><u>(1,707,431)</u></u>	<u><u>-</u></u>	<u><u>6,848,380</u></u>	<u><u>47,542,989</u></u>

DONNINGTON HOSPITAL TRUST

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

21. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 January 2020 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2020 £
Unrestricted funds					
Designated funds					
Investment fund	-	-	(25,024)	75,000	49,976
Conservation fund	-	37,602	(1,346)	-	36,256
	<u>-</u>	<u>37,602</u>	<u>(26,370)</u>	<u>75,000</u>	<u>86,232</u>
General funds					
General funds	<u>34,079,730</u>	<u>1,575,576</u>	<u>(1,244,687)</u>	<u>5,925,090</u>	<u>40,335,709</u>
Total Unrestricted funds	<u><u>34,079,730</u></u>	<u><u>1,613,178</u></u>	<u><u>(1,271,057)</u></u>	<u><u>6,000,090</u></u>	<u><u>40,421,941</u></u>

DONNINGTON HOSPITAL TRUST

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

22. Summary of funds

Summary of funds - current year

	Balance at 1 January 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2021 £
Designated funds	86,232	354,224	(244,914)	13,607	(209,149)	-
General funds	40,335,709	1,625,875	(1,462,517)	(13,607)	7,057,529	47,542,989
	<u>40,421,941</u>	<u>1,980,099</u>	<u>(1,707,431)</u>	<u>-</u>	<u>6,848,380</u>	<u>47,542,989</u>

Summary of funds - prior year

	Balance at 1 January 2020 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2020 £
Designated funds	-	37,602	(26,370)	75,000	86,232
General funds	34,079,730	1,575,576	(1,244,687)	5,925,090	40,335,709
	<u>34,079,730</u>	<u>1,613,178</u>	<u>(1,271,057)</u>	<u>6,000,090</u>	<u>40,421,941</u>

23. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	3,143,809	3,143,809
Fixed asset investments	552,346	552,346
Investment property	41,691,862	41,691,862
Debtors due after more than one year	500,000	500,000
Current assets	3,554,845	3,554,845
Creditors due within one year	(398,313)	(398,313)
Creditors due in more than one year	(1,501,560)	(1,501,560)
Total	<u>47,542,989</u>	<u>47,542,989</u>

DONNINGTON HOSPITAL TRUST

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

23. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Unrestricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	2,807,397	2,807,397
Fixed asset investments	43,254	43,254
Investment property	39,690,250	39,690,250
Current assets	478,884	478,884
Creditors due within one year	(452,758)	(452,758)
Creditors due in more than one year	(2,145,086)	(2,145,086)
Total	<u>40,421,941</u>	<u>40,421,941</u>

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

	Group 2021 £	Group 2020 £
Net income for the year (as per Statement of Financial Activities)	<u>7,121,048</u>	<u>6,342,211</u>
Adjustments for:		
Interests and rents from investments	(1,150,742)	(1,138,830)
Depreciation charges	59,050	43,541
Profit on the sale of fixed assets	(8,244)	(12,172)
Gains on investment property	(4,227,413)	(5,882,087)
Gains on listed investments	(9,092)	-
Realised profit on sale of investment properties	(2,765,000)	-
Decrease/(increase) in stocks	(14,263)	-
Increase in debtors	(764,094)	(25,816)
Increase in creditors	10,997	53,519
Net cash used in operating activities	<u>(1,747,753)</u>	<u>(619,634)</u>

DONNINGTON HOSPITAL TRUST

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

25. Analysis of cash and cash equivalents

	Group 2021 £	Group 2020 £
Cash in hand	3,129,846	332,242
Total cash and cash equivalents	3,129,846	332,242

26. Analysis of changes in net debt

	At 1 January 2021 £	Cash flows £	At 31 December 2021 £
Cash at bank and in hand	332,242	2,797,604	3,129,846
Debt due within 1 year	(65,442)	65,442	-
Debt due after 1 year	(2,145,086)	643,526	(1,501,560)
	(1,878,286)	3,506,572	1,628,286

27. Pension commitments

During the year contributions of £31,507 (2020 - £27,668) paid to the scheme. As at the year end no amounts (2020 - £Nil) were unpaid.

28. Related party transactions

As at 29 December 2017 Jesus Hospital Trust became a linked charity of Donnington Hospital Trust and historically the combined results were shown within these financial statements. During the year the full merger of Jesus Hospital within the Donnington Hospital Trust was approved by the Charity Commission.

During the year one of the Directors of The Hartley Trust Corporate Trustee Limited provided agricultural services to the charity totalling £250 (2020: £Nil). In the prior year Trustee P Hartley Russell provided these agricultural services to the charity totalling £750.

THE HARTLEY TRUST

England & Wales - Charity number 226021

Accounts

Charity number: 226021

DONNINGTON HOSPITAL TRUST

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

DONNINGTON HOSPITAL TRUST

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DONNINGTON HOSPITAL TRUST

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2020

Trustees

Patron:

R D Hartley Russell MVO DL, Chairman

Nominated Trustees:

R F Hartley Russell, Co-Vice Chairman

G Ropner

Co-opted Trustees:

Dr B Bruce-Gardner

Mrs M Lund, Co-Vice Chairman (resigned 27 December 2020)

Ex-Officio Trustees:

Revd W Hunter Smart

Revd Dr M Wood (resigned 1 November 2020)

Representative of Oxfordshire County Council:

P Hartley Russell

Representative of West Berkshire District Council:

Cllr S Masters

Charity registered number

226021

Principal office

The Trust Office
1 Groombridge Place
Donnington
Newbury
Berkshire
RG14 2JQ

Chief executive officer

A Jones-Perrott MRICS

Independent auditor

James Cowper Kreston
Chartered Accountants and Statutory Auditor
2 Communications Road
Greenham Business Park
Greenham
Newbury
Berkshire
RG19 6AB

DONNINGTON HOSPITAL TRUST

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
(CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

Solicitors

**Blandy & Blandy Solicitors
33 Blagrove Street
Reading
Berkshire
RG1 1PW**

DONNINGTON HOSPITAL TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees present their annual report together with the audited financial statements of Donnington Hospital Trust for the year ended 31 December 2020. The Trustees confirm that the annual report and financial statements of the charity comply with the Charities Act 2011, the requirements of the governing documents and Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) 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).

Donnington Hospital was founded in 1393 by Sir Richard Abberbury and re founded in 1602 by Queen Elizabeth. It is the tenth oldest Almshouse Foundation in the country, the oldest charity in Berkshire and the twenty third oldest charity in the country. Donnington Hospital is a family charity having been under the patronage of the Hartley Russell family since 1632. It is governed by a Charity Commission Scheme dated 20 January 1989.

On 3 June 2010 the Trustees assumed the Trusteeship of Jesus Hospital, Bray. In December 2017 a Linking Order was made by the Charity Commission, formally linking Jesus Hospital to Donnington Hospital. The Trust continues its charity work in respect of the provision of relief in need and donations to other charitable causes within its area of benefit.

Over the calendar year the Donnington Hospital Trust added a further almshouse to their portfolio following the conversion of part of the Abberbury Rooms and now manage 71 almshouses in the parishes of Donnington, Bucklebury, Bray and Iffley.

Objectives and activities

Strategies for achieving objectives

The Trust provides warm and comfortable self-contained dwellings to retired local people with limited financial means. Residents are encouraged to lead independent lives but are supported by wardens to ensure their general wellbeing.

The Trustees have had due regard to the Charity Commission's guidance on public benefit.

Review of activities and future developments

The annual rent of one red rose was presented to Her Majesty The Queen on the feast of the Nativity of St John the Baptist on 24 June 2020.

The Trustees, in collaboration with their property advisers, Gerald Eve, continue to examine opportunities for its land holdings in Oxford. Potential sites continue to be examined with a view to obtaining enhancement in planning terms.

It is extremely important to the Trust that any promotional land is correctly managed and disposed of to a reputable developer resulting in uses that meet local need and in terms of a residential development the correct housing mix is achieved. This has been demonstrated during the year following an allocation for 29 homes on retained land in Iffley. A marketing campaign was launched for the disposal of the land 'subject to planning.' Given the chronic lack of housing in Oxford considerable interest was shown by a number of national and provincial developers.

The Trustees decided following a period of reflection to sell the land to Oxford City Homes a wholly owned subsidiary of Oxford City Council. It was acknowledged that they would be ideally placed to deliver the correct level and type of housing to support the City's needs in accordance with the Local Plan. As part of the sale the Trustees requested that Oxford City Homes use reasonable endeavours to engage with the community so that their views could be conveyed in terms of design and density.

As usual, the sale necessitated a Red Book valuation for the Charity Commission given a disposal of a fixed asset and this was undertaken by experienced RICS Registered Valuers.

DONNINGTON HOSPITAL TRUST

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

Achievements and performance

Review of activities

The Trust's almshouses continue to be extremely popular with residents enjoying the security and support shown by the Chairman, Trustees and colleagues which realises a contented, collaborative approach creating a relaxed environment.

There have been a number of refurbishments during the year albeit these were carried out sensitively given Coronavirus restrictions and the Trust has subsequently welcomed new residents. It is the Trust's policy to refurbish all almshouses on change of resident so that high standards are maintained and residents feel that they are moving into a new home with new beginnings. The works carried out are well thought out with ergonomic kitchen and bathroom design specific for a resident along with modern certified appliances.

Disappointingly all Trust events were cancelled due to Coronavirus restrictions, however staff continued to remain in close contact with the residents by telephone. The Trust's wardens arranged a Facebook page and encouraged residents to join in with games and puzzles online. The community came together and there was support from the Rotary Club making sure residents received provisions.

The Trust employed the NFU Risk Management Service as Health and Safety Advisors and subsequently new policies and procedures have been implemented and are constantly under review.

During the year compliance was brought to the forefront of management. The Trust started to take steps to make sure all property service standards and energy performance was up to current regulations.

The Trust's property management system was utilised further to record the achieved standards of property management.

A remeasurement and revaluation of insurance was undertaken to ensure that the Trust's assets are sufficiently covered. In addition, further cover was procured for both Directors and Trustees and Cyber Insurance. During the year the Trust Insurance policy was reviewed and refreshed as well as seeking tenders from a number of brokers. Following submissions, it was agreed to maintain a relationship with the current broker.

A new digital mapping programme was implemented and is available for management requirements.

Given the Coronavirus Pandemic it was felt timely that the Trust prepare a Business Risk Register which will be constantly reviewed.

The Trust office remained closed during lockdown and non-essential repairs and improvements were curtailed specific to the Almshouse sector so that contact with Residents was kept to a minimum. Refurbishments continued however extremely sensitively.

A decision to renovate The Hartley Arms Public House in Donnington was considered important by the Trustees so that an appropriate occupier could be found. A full restoration programme was carried out meeting Building Regulation approval as well as the conversion of an ancillary building to be used as a coffee shop. An occupier was found and the premises has been let for ten years. The Trustees felt assured by providing this investment the premises would be retained as an important hub for social and sustenance needs serving the community and visitors to Donnington.

New long-term agreements were negotiated for the Trust's agricultural holdings to support stability in the rural sector. It was felt that the Trust should go further and support the development of agricultural buildings at Severalls Farm, Stanford Dingley to maintain this important family farm.

DONNINGTON HOSPITAL TRUST

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

Achievements and performance (continued)

A ten-year Woodland Management Plan was approved for the Cragg Estate. This included a felling licence for the commercial stands of timber with restock based on the introduction of native broadleaf species to compliment the landscape and for greater biodiversity.

In addition, a Woodland Creation Grant Application was approved for the planting of a further 20 acres of native broadleaves which will be carried out during 2021.

Planning permission was received for two holiday homes on the Cragg Estate. The Trustees will consider development in accordance with the Trust's strategy but there is no doubt that any offering would support diversity in rural north Northumberland.

Broadgate Farmhouse on the Cragg estate was let as holiday accommodation supporting rural tourism and the local economy.

Looking ahead

The Trust has prepared an Environmental Policy. It is acting on that by assessing its energy use and using the Policy as a guide to ensure responsibility to reducing energy. Enhancing the environment of its agricultural and woodland estate is also a key component of the Trust's responsible approach to management.

The Trust continues to provide donations to various worthy funds.

The Trustees are progressive. The strategy is to create a wholly sustainable charitable organisation for the future in an ever-changing world. A mix of assets across the various types of property is actively being refined and additions will be made as and when opportunities arise. This has been tested over the last year which has seen a non-existent trading pattern for the hospitality sector. The Trust however remains resolute and continues to assess its asset base in an ever-changing commercial world.

Investment Policy and Returns

During the year the Trust retained nearly 100% occupancy throughout its investment portfolio.

The financial position of the Trust remains strong. Occupancy rates are a key performance indicator and therefore buoyant cashflow is being achieved. There is no doubt that the Coronavirus Pandemic has affected the Trust's Commercial and Residential occupiers. A pastoral and caring approach has been taken. There will inevitably be bad debt and the number of debtors has grown. Given the Trusts mix of assets resilience prevails.

During the year the Trust continued to maintain its investment strategy of investing in commercial, agricultural and residential properties in Oxford, Berkshire and Northumberland.

The Trustees have made investments in property to generate sufficient returns to fund annual expenditure and to maintain the level of the Fund.

Risk assessment

Nature of investments

The Trust has a long tradition of investing in property and this is reflected in the original gift of the Manor of Iffley in Oxford by Sir Richard Abberbury in 1393. The property portfolio has been diversified over recent years in terms of geography and property type.

This policy has given rise to the risk that investments are far less liquid than financial investments. This could result in the possible situation of the charity having insufficient cash reserves to fulfil future commitments. However, the Trustees consider this unlikely due to the strong cash generation of the diversified property portfolio.

DONNINGTON HOSPITAL TRUST

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

Achievements and performance (continued)

Such risk is mitigated by the Trustees' strategic planning of future expenditure to ensure that this can be funded by cash reserves. The Trust also has significant banking facilities.

The Trustees are also mindful to ensure that leases relating to significant commercial properties do not terminate or have break clauses at the same date.

Operational risk

There is a risk that one or a number of almshouses could be damaged sufficiently to fundamentally impair the activities of the charity.

The Trustees consider that this risk has been mitigated by the following:

Almshouse properties are fully insured by the charity and additional preventative measures such as smoke alarms and fire equipment have been installed. In addition, the properties are subject to a rolling maintenance review to ensure items such as wiring do not pose additional risks.

The Trustees have prepared contingency housing plans should an almshouse be rendered uninhabitable. The Trust maintains a Safe Guarding Policy as guided by the Almshouse Association for its residents. All staff who interact with the residents complete DBS checks.

Investment risk

There is a risk that a commercial property could be damaged to cause a material loss of operating income which is sufficient to fundamentally impair the operations of the charity.

The Trustees consider that the following steps mitigate against this risk:

The commercial properties are fully insured against damage directly by the charity. In order to protect income loss of rent is insured for a period of 24 months.

Management risk

There is a risk identified that the charity could incur loss directly attributable to Trustees' management decisions, which could be considered negligent but this has been highlighted in the Trust's Risk Register.

Such a risk is mitigated by the calibre and experience of Trustees and Chief Executive appointed by the charity. At the current time such a policy is considered adequate, having regard to the size and operational strategy of the Trust.

Ongoing review

This report details the major risks identified for the charity. Such risks and the steps taken to mitigate them are to be reviewed by the Trustees on an annual basis.

Should any further risks be identified during the year then mitigation will be considered at the next Trustees' meeting.

Coronavirus Pandemic

The Trust implemented the necessary requirements to ensure that the work place was Covid secure for its employees and visitors. For much of the year staff have been working from home. The Trust remained rigorous with the welfare of its residents during such an uncertain time. A rota of direct communication between staff and residents was arranged as well as advice and commitment to providing guidance so that our residents on the whole have remained safe and well.

DONNINGTON HOSPITAL TRUST

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

Achievements and performance (continued)

Given the spread of the property portfolio, the Trust's commercial sector in both retail and hospitality weakened however the Trust was able to give significant concessions to worthy occupiers. The repair and maintenance programme, originally agreed by the Trustees, was curtailed and therefore this will have an impact and accelerated repairs will be required during 2021.

Financial review

Reserves policy

The Trust maintains reserves totalling £40,421,941 at 31 December 2020 (£34,079,730 at 31 December 2019), the bulk of this is held as investment properties of £39,690,250.

The increase in reserves in 2020 is made up of an operating surplus (£342,121), plus the revaluation of investment properties (£5,925,090) and the sale proceeds from a small parcel of land at Meadow Lane (£75,000).

Financial security is extremely important to the charity so as to maintain the integrity of the almshouses and associated property in respect of maintenance, repair and improvement. As there are differing requirements for funding throughout the year, the trustees monitor income and expenditure closely to ensure sufficient funds are held to meet the needs of the charity. If required, funds could be realised through disposing of investments or further bank loans.

Structure, governance and management

Governing document

The charity is controlled by its governing document, a Charity Commission Scheme, and constitutes an unincorporated charity.

Recruitment and appointment of new Trustees

There are three possible ways of appointing Trustees. As Patron of the Trust, the Patron has the power to appoint certain Trustees. The Trustees themselves can "co opt" certain Trustees and then there are ex officio Trustees. The ex officio Trustees are usually the Rector of Shaw cum Donnington, the Rector of St Nicolas (Newbury), one appointee of West Berkshire District Council (Cllr Steve Masters) and one appointee of Oxfordshire County Council (Piers Hartley Russell).

The method of appointment of Trustees is clearly set out in the Trust's Charity Commission Scheme which was sealed on 20 January 1989.

The Trustees try and identify suitable candidates who have different but complementary skills. Currently, the Trust has one doctor, one finance related professional, one business professional, two property related professionals, one cleric in holy orders and one district councillor. There are currently two vacancies for Trustees, following the resignation of the local Rector and one of the co-opted Trustees.

The appointed co opted Trustees have designated periods of office which can be renewed. The local authority ex officio Trustees are usually appointed by the respective local authority for a period of four years (the usual local authority term). The two ex officio Rectors are appointed for as long as they are in office.

DONNINGTON HOSPITAL TRUST

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

Structure, governance and management (continued)

New Trustees are provided with the Trust's Report and Accounts, a history of the Trust, a copy of the Scheme, access to the Trust's website as well as the Charity Commission website. Potential Trustees also meet with the Patron who outlines the role and responsibilities. The Trust Office keeps the record of Trustee appointments.

The Trustees have implemented a review of its constitution during 2020. Consideration is being given to a full merger between Donnington Hospital and Jesus Hospital and the Trust's corporate structure in terms of liability. The Trust's legal advisers Blandy & Blandy are receiving guidance from the Charity Commission with proposed changes being implemented during 2021.

Training

Trustee training was arranged and took place with the Trust Auditors, James Cowper Kreston, during March 2021.

Organisation structure and decision making

The Trustees have an intimate knowledge of the charity, its assets and its operations.

The Trustees meet twice a year and a formal reporting procedure is in place and decisions are made in an open forum as guided by the Chairman of the Trustees.

Day to day management of the charity's assets is overseen by the Chief Executive who is directed by the Chairman in accordance with the Trustees' decision making process.

Risk management

The Trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. A Cyber insurance policy has been implemented.

Information on fundraising practices

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

DONNINGTON HOSPITAL TRUST

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

Statement of Trustees' responsibilities

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make 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 Trust deed. 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.

Auditor

The auditor, James Cowper Kreston, has indicated his willingness to continue in office. The designated Trustees will propose a motion reappointing the auditor at a meeting of the Trustees.

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



.....
R D Hartley Russell MVO DL
Trustee

Date: 15/9/2021

DONNINGTON HOSPITAL TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DONNINGTON HOSPITAL TRUST

Opinion

We have audited the financial statements of Donnington Hospital Trust (the 'charity') for the year ended 31 December 2020 which comprise the Statement of financial activities, the balance sheet, the statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

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 2015.

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

DONNINGTON HOSPITAL TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DONNINGTON HOSPITAL TRUST (CONTINUED)

Other information

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, 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.

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.

DONNINGTON HOSPITAL TRUST

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DONNINGTON HOSPITAL TRUST
(CONTINUED)**

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:

- Enquiry of management, those charged with governance around actual and potential litigation and claims;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

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

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.

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.



James Cowper Kreston
Chartered Accountants and Statutory Auditor
2 Communications Road
Greenham Business Park
Greenham
Newbury
Berkshire
RG19 6AB

Date: 20/10/2024

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

DONNINGTON HOSPITAL TRUST

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income from:				
Charitable activities	3	423,649	423,649	390,144
Investments	4	1,138,830	1,138,830	1,180,478
Other income	5	50,699	50,699	14,500
Total income		1,613,178	1,613,178	1,585,122
Expenditure on:				
Raising funds	6	303,623	303,623	354,559
Charitable activities	8	967,434	967,434	1,021,912
Total expenditure		1,271,057	1,271,057	1,376,471
Net income before net gains on investments		342,121	342,121	208,651
Net gains on investments		6,000,090	6,000,090	3,553,391
Net income		6,342,211	6,342,211	3,762,042
Net movement in funds		6,342,211	6,342,211	3,762,042
Reconciliation of funds:				
Total funds brought forward		34,079,730	34,079,730	30,317,688
Net movement in funds		6,342,211	6,342,211	3,762,042
Total funds carried forward		40,421,941	40,421,941	34,079,730

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

The notes on pages 16 to 32 form part of these financial statements.

DONNINGTON HOSPITAL TRUST

**BALANCE SHEET
AS AT 31 DECEMBER 2020**

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	13	2,807,397	2,744,066
Investments	15	43,254	43,254
Investment property	14	39,690,250	33,428,752
		<u>42,540,901</u>	<u>36,216,072</u>
Current assets			
Debtors	16	146,642	120,826
Cash at bank and in hand		332,242	336,656
		<u>478,884</u>	<u>457,482</u>
Creditors: amounts falling due within one year	17	<u>(452,758)</u>	<u>(399,239)</u>
Net current assets		26,126	58,243
Total assets less current liabilities		42,567,027	36,274,315
Creditors: amounts falling due after more than one year	18	(2,145,086)	(2,194,585)
Total net assets		40,421,941	34,079,730
Charity funds			
Unrestricted funds	19	40,421,941	34,079,730
Total funds		40,421,941	34,079,730

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

R D Hartley Russell

.....
R D Hartley Russell MVO DL

Trustee

Date: 15/9/2021

The notes on pages 16 to 32 form part of these financial statements.

DONNINGTON HOSPITAL TRUST

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

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash used in operating activities	22	(619,634)	(852,890)
Cash flows from investing activities			
Interest and rents from investments		1,138,830	1,180,478
Purchase of investment property		(379,411)	(77,749)
Purchase of tangible fixed assets		(79,197)	(146,428)
Proceeds from the sale of tangible fixed assets		27,500	14,500
Transfers between investment property and tangible fixed assets		(43,003)	-
Net cash provided by investing activities		664,719	970,801
Cash flows from financing activities			
Repayments of borrowing		(49,499)	(42,254)
Net cash used in financing activities		(49,499)	(42,254)
Change in cash and cash equivalents in the year		(4,414)	75,657
Cash and cash equivalents at the beginning of the year		336,656	260,999
Cash and cash equivalents at the end of the year	23	332,242	336,656

The notes on pages 16 to 32 form part of these financial statements

DONNINGTON HOSPITAL TRUST

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

1. General information

Donnington Hospital Trust is an unincorporated charity. It is registered in England and Wales with charity registered number 226021. The principal address of the Charity is The Trust Office, 1 Groombridge Place, Donnington, Newbury, Berkshire,

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 financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Donnington Hospital Trust 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 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.

2.3 Going concern

The Trustees have considered the impact of the global Covid-19 pandemic on the ability of the charity to continue operating for the foreseeable future. This review has included considering the impact of the pandemic to the date of signing the financial statements and based on this review the Trustees believe that the financial statements have been prepared appropriately on the going concern basis.

2.4 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.

Charitable activities income is the rent received from the letting of the almshouses.

Investment income comprises of rent from investment properties and interest on bank funds.

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 bank.

DONNINGTON HOSPITAL TRUST

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

2. Accounting policies (continued)

2.5 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 is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

2.6 Tangible fixed assets and depreciation

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 charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Plant and machinery	- 25% on cost
Motor vehicles	- 25% on cost
Fixtures and fittings	- 4 - 10% on cost

The trustees consider that freehold property is maintained in such a state of repair and antiques hold their value unless impaired, that their residual value is at least equal to its net book value. As a result, the corresponding depreciation would not be material and therefore is not charged in the Statement of Financial Activities.

2.7 Investment property

Investment properties are initially recognised at their transaction cost and subsequently measured at fair value. Gains are recognised in the Statement of Financial Activities. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the Statement of Financial Activities.

2.8 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.

DONNINGTON HOSPITAL TRUST

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

2. Accounting policies (continued)

2.9 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.

2.10 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.

2.11 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.

2.12 Financial instruments

The charity only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities such as trade and other accounts receivable and payable, loans from banks, loans from related parties and investments in ordinary shares. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using effective interest method.

2.13 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.

DONNINGTON HOSPITAL TRUST

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

2. Accounting policies (continued)

2.14 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.

Critical areas of judgement:

Tangible fixed assets

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. Residual value assessments consider issues such as the remaining life of the asset and projected disposal values.

Investment properties

Investment properties are valued at market value, which is assessed by the Trustees on an annual basis and an external professional valuation is carried out every 5 years.

3. Income from charitable activities

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Almshouses	423,649	423,649	390,144
Total 2019	390,144	390,144	

DONNINGTON HOSPITAL TRUST

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

4. Investment income

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Rental income	1,138,662	1,138,662	1,179,972
Interest receivable	168	168	506
Total 2020	1,138,830	1,138,830	1,180,478
Total 2019	1,180,478	1,180,478	

Rental income

	2020 £	2019 £
Commercial	535,444	572,831
Residential	493,865	480,375
Telecoms	14,257	6,251
Agriculture	83,403	80,454
Other	11,693	40,061
Total	1,138,662	1,179,972

5. Other incoming resources

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Profit on the sale of fixed assets	13,097	13,097	14,500
Conservation income	37,602	37,602	-
Total 2020	50,699	50,699	14,500
Total 2019	14,500	14,500	

DONNINGTON HOSPITAL TRUST

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

6. Investment management costs

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Insurance, rates and other expenses	42,916	42,916	46,819
Light and heat	9,046	9,046	9,984
Repairs and maintenance	197,715	197,715	232,452
Surveyor costs	17,643	17,643	17,590
Bank loan interest	36,303	36,303	47,714
Total 2020	<u>303,623</u>	<u>303,623</u>	<u>354,559</u>
Total 2019	<u>354,559</u>	<u>354,559</u>	

7. Analysis of grants

	Grants to Institutions 2020 £	Grants to Individuals 2020 £	Total funds 2020 £	Total funds 2019 £
Grants	<u>7,000</u>	<u>4,918</u>	<u>11,918</u>	<u>76,867</u>
Total 2019	<u>70,372</u>	<u>6,495</u>	<u>76,867</u>	

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

DONNINGTON HOSPITAL TRUST

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

7. Analysis of grants (continued)

	2020	2019
	£	£
Name of institution		
Adapt Charity	-	1,000
Berkshire Community Foundation - fund for the elderly	-	5,000
Berkshire Community Foundation - general	-	1,000
Berkshire County Cricket - veterans over 60	-	3,000
Charlie Waller Memorial Trust	-	2,500
Dominican Council	-	5,000
Douai Abbey	-	30,000
Durham University, Centre for Catholic Studies	-	5,000
Iffley Community Shop	250	-
Institute for Cancer Vaccines and Immunotherapy	2,000	-
MacMillan Cancer Research	-	10,000
Newbury Weekly News Over 80's Fund	1,000	1,000
Royal National Lifeboat Association	50	-
St Martin's Club, Bucklebury	1,000	-
St Michael's Church Bray PCC	2,000	-
The Tyne River's Trust	500	-
West Berkshire Countryside Society	200	-
Windsor Benefit Trust	-	5,000
	7,000	68,500
Other grants to institutions	-	1,872
Total grants to institutions	7,000	70,372

DONNINGTON HOSPITAL TRUST

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

8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Costs of maintaining almshouses	929,146	929,146	945,045
Grants	11,918	11,918	76,867
Costs of conservation	1,346	1,346	-
Costs of development	25,024	25,024	-
Total 2020	<u>967,434</u>	<u>967,434</u>	<u>1,021,912</u>
Total 2019	<u>1,021,912</u>	<u>1,021,912</u>	

9. Analysis of expenditure by activities

	Activities undertaken directly 2020 £	Grant funding of activities 2020 £	Support costs 2020 £	Total funds 2020 £	Total funds 2019 £
Costs of maintaining almshouses	395,859	-	533,287	929,146	945,045
Grants	-	11,918	-	11,918	76,867
Costs of conservation	1,346	-	-	1,346	-
Costs of development	25,024	-	-	25,024	-
Total 2020	<u>422,229</u>	<u>11,918</u>	<u>533,287</u>	<u>967,434</u>	<u>1,021,912</u>
Total 2019	<u>500,574</u>	<u>76,867</u>	<u>444,471</u>	<u>1,021,912</u>	

DONNINGTON HOSPITAL TRUST

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

9. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2020 £	Total funds 2019 £
Staff costs	265,699	244,989
Depreciation	43,541	56,777
Insurance, rates and other expenses	7,218	2,427
Estate office running costs	43,604	40,049
Bank charges and interest	1,532	6,424
Computer costs	9,281	6,971
Legal and professional fees	79,233	45,167
Other staff costs	3,664	6,805
Travel and subsistence	8,294	9,505
Other costs	3,549	250
Governance costs	20,059	25,107
Bad debts	47,613	-
Total	533,287	444,471

10. Auditor's remuneration

	2020 £	2019 £
Fees payable to the charity's auditor for the audit of the charity's annual accounts	9,550	9,550
Fees payable to the charity's auditor in respect of: All non-audit services not included above	7,208	10,080

11. Staff costs

	2020 £	2019 £
Wages and salaries	292,445	285,417
Social security costs	31,651	26,064
Contribution to defined contribution pension schemes	30,421	23,913
	354,517	335,394

DONNINGTON HOSPITAL TRUST

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

11. Staff costs (continued)

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

	2020 No.	2019 No.
Staff	8	9

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

	2020 No.	2019 No.
In the band £90,001 - £100,000	-	1
In the band £150,001 - £160,000	1	-

The remuneration and benefits received by key management personnel and trustees in the year totalled £167,449 (2019 - £116,592).

12. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2019 - £NIL).

During the year ended 31 December 2020, expenses totalling £1,863 were reimbursed or paid directly to 1 Trustee (2019 - £5,264 to 2 Trustees).

DONNINGTON HOSPITAL TRUST

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

13. Tangible fixed assets

	Freehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation					
At 1 January 2020	2,031,862	118,803	141,220	745,291	3,037,176
Additions	32,513	12,669	16,995	17,020	79,197
Transfers from investment property	43,003	-	-	-	43,003
Disposals	-	(53,360)	-	-	(53,360)
Transfers between classes	288,122	(48,007)	5,515	(239,902)	5,728
At 31 December 2020	<u>2,395,500</u>	<u>30,105</u>	<u>163,730</u>	<u>522,409</u>	<u>3,111,744</u>
Depreciation					
At 1 January 2020	-	103,860	73,115	116,135	293,110
Charge for the year	-	4,317	26,499	12,725	43,541
On disposals	-	(41,477)	-	-	(41,477)
Transfers between classes	-	(46,097)	10,495	44,775	9,173
At 31 December 2020	<u>-</u>	<u>20,603</u>	<u>110,109</u>	<u>173,635</u>	<u>304,347</u>
Net book value					
At 31 December 2020	<u>2,395,500</u>	<u>9,502</u>	<u>53,621</u>	<u>348,774</u>	<u>2,807,397</u>
At 31 December 2019	<u>2,031,862</u>	<u>14,943</u>	<u>68,105</u>	<u>629,156</u>	<u>2,744,066</u>

DONNINGTON HOSPITAL TRUST

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

14. Investment property

	Freehold investment property £
Valuation	
At 1 January 2020	33,428,752
Additions	379,411
Surplus on revaluation	5,925,090
Transfers to tangible fixed assets	(43,003)
	39,690,250
At 31 December 2020	39,690,250

The trustees consider that the valuation of the investment properties at 31 December 2020 has increased from 31 December 2019. All the investment properties are valued annually by the CEO (Alasdair Jones-Perrott, chartered surveyor).

15. Fixed asset investments

	Unlisted investments £
Cost or valuation	
At 1 January 2020	43,254
	43,254
At 31 December 2020	43,254
Net book value	
At 31 December 2020	43,254
At 31 December 2019	43,254

All the fixed asset investments are held in the UK.

16. Debtors

	2020 £	2019 £
Trade debtors	123,778	75,648
Prepayments and accrued income	22,864	45,178
	146,642	120,826

DONNINGTON HOSPITAL TRUST

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

17. Creditors: Amounts falling due within one year

	2020 £	2019 £
Bank loans	65,442	65,442
Trade creditors	46,273	35,197
Other taxation and social security	39,360	24,033
Other creditors	101,754	102,469
Accruals and deferred income	199,929	172,098
	452,758	399,239
	452,758	399,239
		2020 £
Deferred income at 1 January 2020		128,509
Resources deferred during the year		120,629
Amounts released from previous periods		(128,509)
		120,629
		120,629

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

	2020 £	2019 £
Bank loans	2,145,086	2,194,585
	2,145,086	2,194,585
	2,145,086	2,194,585

The Agricultural Mortgage Corporation PLC loan is an interest only loan (interest of 1.85%) secured on Bradfield Farm and Severalls Farm in the village of Stanford Dingley, Berkshire which comprised 191.14 acres.

The NatWest loan is a capital repayment loan which was taken out in 2018. This is secured on 20 Flowers Hill, Bristol, and has an interest rate of 1.9%.

DONNINGTON HOSPITAL TRUST

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

19. Statement of funds

Statement of funds - current year

	Balance at 1 January 2020 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2020 £
Unrestricted funds					
Designated funds					
Investment fund	-	-	(25,024)	75,000	49,976
Conservation fund	-	37,602	(1,346)	-	36,256
	<u>-</u>	<u>37,602</u>	<u>(26,370)</u>	<u>75,000</u>	<u>86,232</u>
General funds					
General funds	<u>34,079,730</u>	<u>1,575,576</u>	<u>(1,244,687)</u>	<u>5,925,090</u>	<u>40,335,709</u>
Total Unrestricted funds	<u><u>34,079,730</u></u>	<u><u>1,613,178</u></u>	<u><u>(1,271,057)</u></u>	<u><u>6,000,090</u></u>	<u><u>40,421,941</u></u>

Statement of funds - prior year

	Balance at 1 January 2019 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2019 £
Unrestricted funds					
General funds	<u>30,317,688</u>	<u>1,585,122</u>	<u>(1,376,471)</u>	<u>3,553,391</u>	<u>34,079,730</u>

DONNINGTON HOSPITAL TRUST

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

20. Summary of funds

Summary of funds - current year

	Balance at 1 January 2020 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2020 £
Designated funds	-	37,602	(26,370)	75,000	86,232
General funds	34,079,730	1,575,576	(1,244,687)	5,925,090	40,335,709
	<u>34,079,730</u>	<u>1,613,178</u>	<u>(1,271,057)</u>	<u>6,000,090</u>	<u>40,421,941</u>

Summary of funds - prior year

	Balance at 1 January 2019 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2019 £
General funds	30,317,688	1,585,122	(1,376,471)	3,553,391	34,079,730

21. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	2,807,397	2,807,397
Fixed asset investments	43,254	43,254
Investment property	39,690,250	39,690,250
Current assets	478,884	478,884
Creditors due within one year	(452,758)	(452,758)
Creditors due in more than one year	(2,145,086)	(2,145,086)
Total	<u>40,421,941</u>	<u>40,421,941</u>

DONNINGTON HOSPITAL TRUST

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

21. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior period

	Unrestricted funds 2019 £	Total funds 2019 £
Tangible fixed assets	2,744,066	2,744,066
Fixed asset investments	43,254	43,254
Investment property	33,428,752	33,428,752
Current assets	457,482	457,482
Creditors due within one year	(399,239)	(399,239)
Creditors due in more than one year	(2,194,585)	(2,194,585)
Total	34,079,730	34,079,730

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

	2020 £	2019 £
Net income for the period (as per Statement of Financial Activities)	6,342,211	3,762,042
Adjustments for:		
Depreciation charges	43,541	57,762
Gains on investments	(5,882,087)	(3,553,391)
Interests and rents from investments	(1,138,830)	(1,180,478)
Profit on the sale of fixed assets	(12,172)	(14,500)
Increase in debtors	(25,816)	(23,634)
Increase in creditors	53,519	99,309
Net cash used in operating activities	(619,634)	(852,890)

23. Analysis of cash and cash equivalents

	2020 £	2019 £
Cash in hand	332,242	336,656
Total cash and cash equivalents	332,242	336,656

DONNINGTON HOSPITAL TRUST

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

24. Analysis of changes in net debt

	At 1 January 2020	Cash flows	At 31 December 2020
	£	£	£
Cash at bank and in hand	336,656	(4,414)	332,242
Debt due within 1 year	(65,442)	-	(65,442)
Debt due after 1 year	(2,194,585)	49,499	(2,145,086)
	(1,923,371)	45,085	(1,878,286)

25. Pension commitments

During the year contributions of £27,668 (2019 - £27,226) paid to the scheme. As at the year no amounts (2019 - £NIL) were unpaid.

26. Related party transactions

As at 29 December 2017 Jesus Hospital Trust became a linked charity of Donnington Hospital Trust and the combined results are shown within these financial statements.

During the year Trustee P Hartley Russell provided agricultural services to the charity totalling £750 (2019: £500).

27. Post balance sheet events

The Trust owned three remaining commercial properties on Jeune Street, Oxford namely a Garage, Cinema and Public House. Following a default, the Tenant of the Garage surrendered his interest which revealed an important site near Oxford City Centre. The Trustees discussed at length whether to retain or dispose of the site. After a thorough review of the asset exploring its potential for various use classes it was decided to consider a potential disposal. In accordance with Charity Commission requirements a Red Book valuation was carried out to determine the underlying value of not only the Garage site but also the adjoining Cinema and Public House. Following professional valuation guidance the Trust negotiated a premium and a sale to the neighbour, Oriel College was agreed. From the Trust's perspective the Garage site offered scope for Oriel's expansion, strengthening opportunities for learning and student accommodation. The Trustees decided that there was little merit in retaining the Cinema and Public House given the perceived limited future income generation potential for both premises. The sale value was over £2m in excess of the amounts included in the financial statements for these properties at 31 December 2020.

DONNINGTON HOSPITAL TRUST

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

28. STATEMENT OF FINANCIAL ACTIVITIES

	Donnington Hospital Trust 2020 £	Jesus Hospital Trust 2020 £
INCOME FROM:		
Charitable activities	266,204	157,445
Investments	1,088,396	50,434
Other income	<u>50,699</u>	<u>-</u>
TOTAL INCOME	<u>1,405,299</u>	<u>207,879</u>
EXPENDITURE ON:		
Raising funds:		
Investment management	296,482	7,141
Charitable activities	<u>861,919</u>	<u>105,515</u>
TOTAL EXPENDITURE	<u>1,158,401</u>	<u>112,656</u>
NET GAIN / (LOSS) ON INVESTMENTS	<u>6,400,090</u>	<u>(400,000)</u>
NET INCOME / (EXPENDITURE)	6,646,988	(304,777)
NET MOVEMENT IN FUNDS	6,646,988	(304,777)
RECONCILIATION OF FUNDS:		
Total funds brought forward	<u>31,944,440</u>	<u>2,135,290</u>
TOTAL FUNDS CARRIED FORWARD	<u>38,591,428</u>	<u>1,830,513</u>

DONNINGTON HOSPITAL TRUST

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

29. BALANCE SHEET

	Donnington Hospital Trust		Jesus Hospital Trust	
	2020		2020	
	£	£	£	£
FIXED ASSETS				
Tangible assets		2,519,275		288,122
Investments		43,254		-
Investment property		<u>38,040,250</u>		<u>1,650,000</u>
Total tangible assets		40,602,779		1,938,122
CURRENT ASSETS				
Debtors	146,325		317	
Cash at bank and in hand		<u>332,206</u>		<u>36</u>
		478,531		353
CREDITORS: amounts falling due within one year		<u>(344,796)</u>		<u>(107,962)</u>
NET CURRENT ASSETS		<u>133,735</u>		<u>(107,609)</u>
		40,736,514		1,830,513
CREDITORS: amounts falling due after more than one year		<u>(2,145,086)</u>		<u>-</u>
NET ASSETS		<u>38,591,428</u>		<u>1,830,513</u>
CHARITY FUNDS				
Unrestricted funds		<u>38,591,428</u>		<u>1,830,513</u>
TOTAL FUNDS		<u>38,591,428</u>		<u>1,830,513</u>