

HOSPITAL OF ST MARY MAGDALEN
CHARITY COMMISSION NUMBER 236722
ACCOUNTS FOR THE YEAR ENDED
12 DECEMBER 2020

HOSPITAL OF ST MARY MAGDALEN

ANNUAL REPORT FOR THE YEAR TO 12 DECEMBER 2020

Governance & Management

The Hospital of St Mary Magdalen c/o Town Bridge House, 2, Bridge Street, Christchurch, Dorset, BH23 1ED is an unincorporated trust registered with the Charity Commission (No 236722) and regulated by a Charity Commission Scheme dated 28 February 1986 as amended by a further scheme 10th April 1997 and a special resolution of the trustees dated 13th June 2013.

The Trust is administered by a body of Trustees comprising: -

Chair: Keith Jarvis (from 4th February 2021)

Other Trustees: Jean Mills
Jocelyn Smail
Christine Ann Cook
Andrew Barfield

Jean Mills is due to retire in September 2021 having served as a trustee for many years and reached the end of her permitted term.

Trustees must have a special knowledge of Christchurch through residence occupation or employment. Subject to this, there is no limitation (except through general law) on who can become a trustee. The Charity has adopted a recruitment and retention policy. This recognises that Christchurch is a small town of approximately 50,000 people and as such the number of people who may be suitable Trustees and meet the criteria may be limited. As such, whilst the policy recognises the need to recruit people with appropriate skills, it is not prescriptive in method of recruitment and seeks to avoid barriers to suitable candidates, for example, by convening meetings at suitable times & venue and doing what it can to manage conflicts of interest and subsidise the cost of childcare, if appropriate. There are no appointed officers from among the Trustees except the Chair. As such, the induction procedure is informal. The Clerk explains the Charity's objectives and structure and supplies the new Trustee with copies of the documents necessary to understand the Trustee's responsibilities. Advice and guidance are readily available both from the Clerk, his assistant, or any other Trustee.

The Trust is managed by the Clerk and his assistant. During the course of the year a policy of Internal Controls and Delegation was approved by the Trustees to establish a scheme of delegated authority to manage the Trust and to establish financial controls to ensure appropriate monitoring and security.

Whilst the Charity has informal working relationships with other charities in the locality, there are no formal relationships with any other party other than funding agreements relating to the provision of services by other charities.

Objectives

The objective of the Charity is to provide relief in need and relief in sickness either generally or individually to residents of Christchurch or (in circumstances defined by the Scheme) to those immediately outside the Borough. This can be applied to residents who are in need, hardship, distress, sick, convalescent, disabled, handicapped, or infirm, by making grants or paying for items, services, or facilities to reduce suffering. The Charity can also make or receive donations or subscription to or from other organisations which provide similar services as well as liaise with other caring organisations and public bodies.

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives, and in planning its activities.

HOSPITAL OF ST MARY MAGDALEN

ANNUAL REPORT FOR THE YEAR TO 12 DECEMBER 2020

Sources of Income

The Charity's main sources of income are interest and dividends on investments and rents received from the Charity's properties. Most of the investments and all the freehold property is permanently endowed but under the Scheme all income arising from the investments and the rents are allocated to the non-permanently endowed Fund. The Trustees retain stockbrokers to advise them on their investments. Purchase and sale of investments are made on a regular basis on the advice of the stockbrokers to maintain an appropriate return for the Charity. Investments are held in the name of a nominee to avoid having to alter holder's names each time there is a change in Trustees and to facilitate the purchase and sale of investments.

The Charity's Properties

The Charity has freehold properties registered in the names of the following Trustees: Jocelyn Anne Smail; Jean Mills; Keith Jarvis; and Christine Ann Cook.

One of the Charity's freehold properties (divided into two flats) and one flat in the other are let at market rents on the basis of assured shorthold tenancies, although planned increases have been delayed as a result of the Coronavirus pandemic. The ground floor of one of the properties is let to a local charity at a market rent but without security of tenure. Managing Agents advise on and administer one of the flats whilst all the other properties are managed directly by the Clerk.

Contracts have now been exchanged for the redevelopment of a substantial area of land which includes land owned by the Charity to the rear of its properties in Christchurch and planning consent has now been granted by BCP Council, which was a condition to be fulfilled prior to the completion of the contract. The sale is a venture between the Charity, Dorset County Council, the Police and Crime Commissioner for Dorset, and BCP Council. The Charity will retain its properties which front the highway. As previously resolved, the Charity currently pays the Clerk an additional £5,000 per annum in recognition of the additional work undertaken in connection with the sale of the land. These payments will continue until the redevelopment of the land is complete. The payment was backdated to 2011 when the work substantially began, and the backdated elements have now been paid.

Under its Scheme the Charity must maintain its property and pay all property costs, and costs incidental to the administration of the Charity, from its income before distributing the remaining income in pursuit of its objectives.

Achievements and Performance

It is the policy of the Trustees that payments to caring organisation will increasingly become the focus of the Charity and enable it to position itself as a funding organisation benefitting the widest possible section of those in need in Christchurch.

In accordance with this policy, all regular payments to almspeople ceased in 2017 and whilst the Trustees are of the view that in the medium term there will continue to be a demand for assistance by individual claimants, this type of help will, increasingly, not be the main focus of the Charity. Further, the Trustees will:

- Refer applications for household items such as carpets, furniture and white goods to another local charity, the Christchurch Furniture Project, which is better equipped to deal with such requests.
- Not consider applications for help for counselling, which pose particular problems for the Charity both in assessment and in providing the necessary funds.

HOSPITAL OF ST MARY MAGDALEN

ANNUAL REPORT FOR THE YEAR TO 12 DECEMBER 2020

Achievements and Performance - continued

The trend away from individual help is reflected by the following figures setting out the cash expended in each of the last six years in each of three categories:

	Individuals	Almspeople	Caring Organisations
	Value (£)	Value (£)	Value (£)
2015	6662 (20 applications)	5,600	19,990
2016	1765 (14 applications)	1,100	48,447
2017	415 (5 applications)	Nil	36,721
2018	120 (4 applications)	Nil	27,616
2019	764 (2 applications)	Nil	26,714
2020	1173 (3 applications)	Nil	36,561

With the reduction in individual help, the Trustees are able to consider more help for welfare organisations, although help generally is currently limited in view of the professional expenses incurred in the redevelopment of the Charity's land referred to earlier in this report. However, the Charity was able to give help for the following purposes:

The Trustees feel that the provision of information, advice and support encourages self-reliance and enables individuals in need to make the best use of services appropriate to their needs. As such:

- With the replacement of the Christchurch CAB with the new conurbation - wide BCP CAB, the Trustees were keen to ensure that the quality of benefits advice hitherto enjoyed by Christchurch residents continued. Last year the Charity sought tenders for the provision of a face-to-face advice service as a result of which it was provided by the BCP CAB, funded by the Charity. Unfortunately, as a result of the Coronavirus pandemic an application for further funding has not been received this year. However, the Trust remains committed to the project and it is hoped an application will be received when circumstances permit.

The Trustees feel that financial worry, whether through debt or financial instability, is corrosive both to quality of life and relationships. As such:

- Until this year, the Charity supported and enabled the outreach and debt advice services run by Christchurch CAB. As with benefits advice, the Trustees were keen to ensure that the quality of debt advice hitherto enjoyed by Christchurch residents continued and sought tenders for the provision of a face-to-face advice service as a result of which it is now provided by Faithworks Wessex, funded by the Charity. An application for further annual funding has been received and is being considered. The Trust hopes to be able to provide funding for a period of at least two years to provide ongoing security for the project.

The Trust also continues to assist the Christchurch Furniture Project with 50% of its core funding. The Project provides household goods and furniture to those in need to a substantial number of households (including many with children). Not only does this provide essential goods to those who could not otherwise afford them, but also triggered, in addition to items purchased, further goods donated or otherwise obtained without cost to the project. Contact with the families also enables the Project to identify issues within the households requiring further input and support. This year has seen an increase in house furnishing following an increase in rehousing for those suffering from domestic abuse. The Trust is considering an increase in funding to allow for this.

HOSPITAL OF ST MARY MAGDALEN

ANNUAL REPORT FOR THE YEAR TO 12 DECEMBER 2020

Achievements and Performance – continued

This year has seen a reduction in requests from charities for help. It is believed that this is a direct result of charities having to focus efforts on the Coronavirus pandemic. It may also be as a result of the Trust's own scheme established in March within two weeks of the beginning of the first lock-down which may have pre-empted requests for help. The Trust has made available funding of up to £150 per family for those in dire need as a direct result of the pandemic. This sum was fixed following advice from frontline charities. The funds are distributed via five other trusted organisations operating in Christchurch with the Trust relying on their judgement of need subject to a straightforward monitoring process. It is believed that as well as giving short term help to those most affected, the scheme fills a gap created by much of the charitable funding available not being available for direct cash payments. By 12 December it is estimated that the scheme has reached over 200 families and cost £24,000 in grants ranging from around £30 to £150. It has been funded by the Trust and a donation of £10,000 from the Christchurch Charitable Trust. No limit has been set on the funding available and the scheme is expected to continue as long as the need persists.

Financial Review

The income of the Charity exceeded expenditure by £24,427 during the year, and the Charity ended the year with a closing current account and cash balance of £42,135. This is considered sufficient to fund ongoing activities. Furthermore, the Charity has a substantial non-permanent endowment fund (£419,994) that can be called upon if appropriate.

Investment Policy

The Trustees seek to apply all income received in any financial year in satisfaction of all expenses in the administration of the Charity arising in that year and in furtherance of its charitable objects. The Trustees would seek to reinvest any surplus arising at the end of the financial year if they were satisfied that the ongoing needs of the Charity (either in its administration or in furtherance of its charitable objects) could be met in the medium term by income arising during that period. In the event of continuing annual surpluses, the Trustees will take such action as is appropriate to ensure that insofar as is possible income is fully utilised annually whether by seeking to extend the number of referrals for assistance or by re-examining the objects or area of benefit of the Charity.

The Trustees recognise that the Charity relies entirely on its investment income and on rents to fund expenditure. As such it is the policy of the Trustees to ensure that its rents are at market levels and to continue to maintain its existing investments at a level necessary to sustain its income at a level necessary to fund its charitable objectives, whilst at the same time ensuring that an appropriate balance is maintained to ensure capital growth.

This year planned increases in rent have been delayed as a result of the Coronavirus and the tenant of one of the properties has fallen substantially into arrears. However, this has not impacted on the Trust's ability to finance the administration of the Charity nor its charitable work and it is not expected to have any significant future effect.

The major risk to the Charity is a failure of its investments and property to provide sufficient income to administer the charity and enable grants to be made. The Trustees retain stockbrokers and managing agents (except for three of the properties where it is felt that the Clerk has sufficient knowledge to manage without the assistance of managing agents) to advise to ensure a proper balance between income, on-going property maintenance and capital growth.

It is not felt necessary to retain substantial reserve sums in an accessible current or deposit account since the Charity has access to the substantial non-permanent endowment capital fund referred to earlier in this report which is considered adequate to meet any unexpected contingencies.

Keith Jarvis – Chair
For and on behalf of the Trustees

Date: 17 June 2021

HOSPITAL OF ST MARY MAGDALEN

INDEPENDENT EXAMINATION REPORT FOR THE YEAR TO 12 DECEMBER 2020

Independent Examiner's Report to the Trustees of the Hospital of St Mary Magdalen

I report to the Charity Trustees on my examination of the accounts of the Charity for the year ended 12 December 2020 which are set out on pages 1 to 8.

Responsibilities and basis of report

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

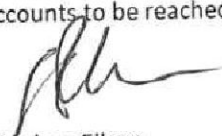
I report in respect of my examination of the Charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- accounting records were not kept in respect of the Charity as required by section 130 of the Act; or
- the accounts do not accord with those records

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



Stephen Ellson
Filer Knapper LLP
Chartered Accountants

10 Bridge Street
Christchurch
Dorset
BH23 1EF

Date: 22 June 2021

HOSPITAL OF ST MARY MAGDALEN

CHARITY COMMISSION NUMBER 236722

FINANCIAL YEAR ENDED 12 DECEMBER 2020

The Receipts and Payments accounts set out on page 7 for the financial year ended on the above date, and the statement of assets and liabilities at that date set out on page 8 are as approved by the Trustees.

Keith Jarvis - Chair

Trustee authorised to sign on behalf of all Trustees

Date: 17 June 2021

These accounts are forwarded by Mr J A G Hoare, Clerk to the Trustees, Town Bridge House, Bridge Street, Christchurch, Dorset BH23 1ED.

HOSPITAL OF ST MARY MAGDALEN
CHARITY COMMISSION NUMBER 236722
FINANCIAL YEAR ENDED 12 DECEMBER 2020

A Receipts and Payments Account (Unrestricted Fund)

	2020		2019	
	£	£	£	£
Income Receipts				
Investment Income	29,064		45,448	
Dividends/interest received	12,576		167	
Donations	26,612		30,846	
Rents from property	<u> </u>		<u> </u>	
		68,252		76,461
Gross income				
		271,966		492,003
Sale of investments		<u> </u>		<u> </u>
		340,218		568,464
Total Receipts		<u> </u>		<u> </u>
Direct Charitable Expenditure				
Payments to people in need	1,173		764	
Payments to charitable and other institutions who assist people who are in need, sick or infirm	36,561		26,714	
	<u> </u>		<u> </u>	
		37,734		27,478
Property Costs				
Property refurbishment, repair and maintenance	3,227		6,651	
Property insurance, management & professional fees	2,314		2,830	
Property Redevelopment costs	2,836		7,003	
	<u> </u>		<u> </u>	
		8,377		16,484
Other Expenditure				
Examination fees	1,404		1,404	
Salaries	15,492		23,620	
Day to day costs	599		568	
Trustees indemnity Insurance	219		168	
Investment manager's charges	10,345		10,110	
	<u> </u>		<u> </u>	
		28,059		35,870
		<u> </u>		<u> </u>
Gross expenditure		74,170		79,832
Purchase of investments		241,621		481,894
		<u> </u>		<u> </u>
Total Payments		315,791		561,726
		<u> </u>		<u> </u>
Net Receipts for the Year		24,427		6,738
Cash Funds at 12 December 2019		17,708		10,970
		<u> </u>		<u> </u>
Cash Funds at 12 December 2020		42,135		17,708
		<u> </u>		<u> </u>

HOSPITAL OF ST MARY MAGDALEN
CHARITY COMMISSION NUMBER 236722
FINANCIAL YEAR ENDED 12 DECEMBER 2020

Statement of Assets and Liabilities at 12 December 2020					2020
Cash Funds					£
Bank and cash balances					
Bank account					42,119
Cash float					16
Total Cash Funds					42,135
					£
Other monetary assets					
Debtors					45
Unbanked dividends					
Investment Assets					
	2020	2020	2019	2019	
	Cost	Valuation	Cost	Valuation	
	£	£	£	£	
Permanent Endowment					
Property					
Freehold land and buildings held as an investment to produce income for the Charity					
43 and 47 Barrack Road, Christchurch					785,000
Parcel of land at rear of 45 Barrack Road					830,000
(Both properties are maintained in an appropriate manner)					
(The original cost of these properties is not easily attainable as they have been held for many years. The land and buildings have not recently been revalued)					
Investments					
Mixture of government stocks, managed funds, shares in listed companies and cash funds held by stockbrokers	1,026,439	1,423,492	1,029,051	1,388,760	
Non - Permanent Endowment					
Investments					
Mixture of government stocks, managed funds, shares in listed companies and cash funds held by stockbrokers	269,949	419,994	304,592	421,816	
Assets retained for the Charity's use					
Computer, printer and scanner					
Liabilities					
			2020	2019	
			£	£	
Examination fees			1,488	1,440	