

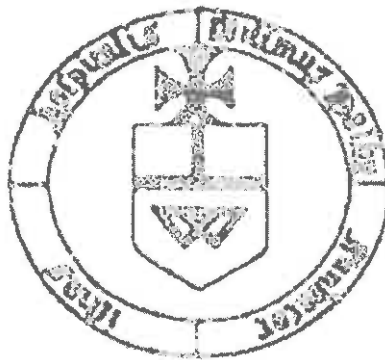
Charity Registration No. 218931

Registered Social Housing Provider No. A0611

**THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN
OKEHAM**

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 6 APRIL 2021



THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

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THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

GOVERNORS' REPORT

FOR THE YEAR ENDED 6 APRIL 2021

The Governors present their report and accounts for the year ended 6 April 2021.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charity's governing instruments, the Charities Act 2011 and "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)".

Reference and administrative details

Working title	St John & St Anne
Charity number	218931
Registered Social Housing Provider No.	A0611
Principal address	Mill House South Street Oakham Rutland LE15 6HY
Governing instruments	Royal Charter dated 3 May 1597 as amended 2 July 1976 Supplemental Charter dated 21 January 1998 as amended 27 February 2003 and 9 February 2011

Principal advisors

Auditors	Stephenson Smart & Co 36 Tyndall Court Commerce Road Lynchwood Peterborough PE2 6LR
Bankers	Barclays Bank plc 10 High Street Oakham LE15 6AN Norwich and Peterborough Building Society Peterborough Business Park Lynch Wood Peterborough PE2 6WZ
Investment Managers	Smith & Williamson Investment Management 3rd Floor 9 Colmore Row Birmingham B3 2BJ

THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

GOVERNORS' REPORT

FOR THE YEAR ENDED 6 APRIL 2021

Principal advisors (continued)

Farmland advisors

Shouler & Son
County Chambers
Kings Road
Melton Mowbray
LE13 1QF

Murray
Market Street
Oakham
LE15 6DY

Governors

Chairman

Mr D Pattinson

Name

Committee membership

Ex-Officio

The Bishop of Peterborough
The Dean of Peterborough
The Patron, Ms C Johnson
The Rector of Luffenham
The Rector of Uppingham
The Vicar of Oakham

House (to 24.2.21)

Ex-Officio appointees on behalf of:

Dr J Seden on behalf of the Bishop of Peterborough
Mrs J Mayhew on behalf of Rector of Luffenham (wef 24.2.21)
Rev D Smith-Wilds on behalf of Rector of Uppingham (wef 24.2.21)

House, Property
House
House

Peterborough Diocesan Board of Finance appointees:

Mr R Smith
Mr D Pattinson
Mr V Harvey

Property (Ch), Finance & GP
Finance & GP
Finance & GP, Property

Co-Opted:

Mrs E Woodhead
Mrs A Whittington
Mrs H Bush
Mrs S Spilner
Mr J Orme
Mrs F Craven
Mrs E Jupp

(wef 1.8.20)
(to 31.7.20)

House (Ch)
House
House
House
Finance & GP (Ch), Property
House, Property
Finance & GP

Officers

Position

Name

Clerk
Property Services Manager
Administrative Assistant
Finance Officer
Residents' Support Worker

Mr P Martin
Mr D McClelland
Mrs K Ayres
Mrs G Matthew
Mrs V Porter

THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

GOVERNORS' REPORT

FOR THE YEAR ENDED 6 APRIL 2021

OBJECTIVES

Based on the terms of the original licence for the foundation of the Hospital dated 21 May 1399 and the Royal Charter granted by Queen Elizabeth I in 1597 (and amended in 1976) the Charity's purpose is to provide accommodation for almspeople who shall be poor persons resident at the time of appointment in the District of Rutland or elsewhere in England.

The Governors review annually the strategic elements which they consider appropriate for pursuing the above charitable purpose; during the year under review they re-confirmed a strategy summarised as follows:

- 1) We are a Rutland charity.
- 2) Our aim is to provide good quality and well-maintained accommodation, and an environment suitable for retired people who cannot afford their own home, to lead independent lives for as long as possible.
- 3) We value community and continuity for our residents and for ourselves.
- 4) We work with others who share our objectives.
- 5) We look to the long-term health of the Charity.
- 6) Our priority theme for 2021 is to continue to improve the suitability of our properties.

PUBLIC BENEFIT

The Governors have due regard to the Charity Commission's guidance on public benefit. They believe that the Charity provides a public benefit by the provision within the County of accommodation for older people of limited means, which enables them to be able to live independently.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Hospital of St John the Evangelist and of St Anne in Okeham is a body corporate (by virtue of the 1597 Royal Charter) with a Governing Body and staff.

THE GOVERNING BODY

The Governing Body is made up of 15 members – the Patron (being a descendant of Archdeacon Johnson, the petitioner for the 1597 Royal Charter); 5 ex-officio Governors (being persons holding specific offices in the Diocese of Peterborough and in certain Rutland parishes); 3 Governors appointed by the Peterborough Diocesan Board of Finance; and 6 co-opted Governors. In 2011 provision was made by Supplemental Charter for any ex-officio Governors who so wish to appoint, subject to Governing Body agreement, an appropriate person to represent him or her at meetings of the Governing Body; currently 3 ex-officio Governors are represented by such an appointment.

The Governing Body meets 4 times a year; in addition, there are 3 committees (House, Property, and Finance & General Purposes). Also, from time-to-time ad hoc working groups are formed to address specific topics.

The Governing Body is conscious of the need to maintain, as far as possible, a matrix of skills and life experience combined with continuity of appointment. To this end Governors approve from time-to-time arrangements for persons who are willing to become full governors when a vacancy arises to attend and participate on a non-voting basis as 'governors-in-waiting'. This is an important aspect of the induction process and ensures an understanding of the Charity is acquired before becoming a full governor. The Charity's induction procedures ensure that prospective governors are made aware of the responsibilities of being a governor. For recruiting prospective governors the Charity makes use of Governors' knowledge of the local community, supplemented by wider publicity.

THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

GOVERNORS' REPORT

FOR THE YEAR ENDED 6 APRIL 2021

THE CLERK AND STAFF

The Clerk is the Chief Executive Officer of the Charity. In addition, there are four other staff members employed to undertake finance, property, and support functions. There is also a Housekeeper, employed on a part time basis, to ensure all communal areas are clean and tidy.

The Governors approve remuneration levels designed to enable the Charity to recruit and retain the skilled staff needed to manage, support, and deliver its aims. The Charity has a policy of paying at least the Real Living Wage. Remuneration is adjusted annually in line with RPI.

OUT-SOURCED PROFESSIONAL SERVICES

The Charity has outsourced certain services, as follows;

Property and Estates Management - Nottingham Community Housing Association,
Investment Management - Smith & Williamson Investment Management,
Payroll Services - Stephenson Smart & Co.

PRINCIPAL ACTIVITY – BENEFICIARIES & OCCUPANCY

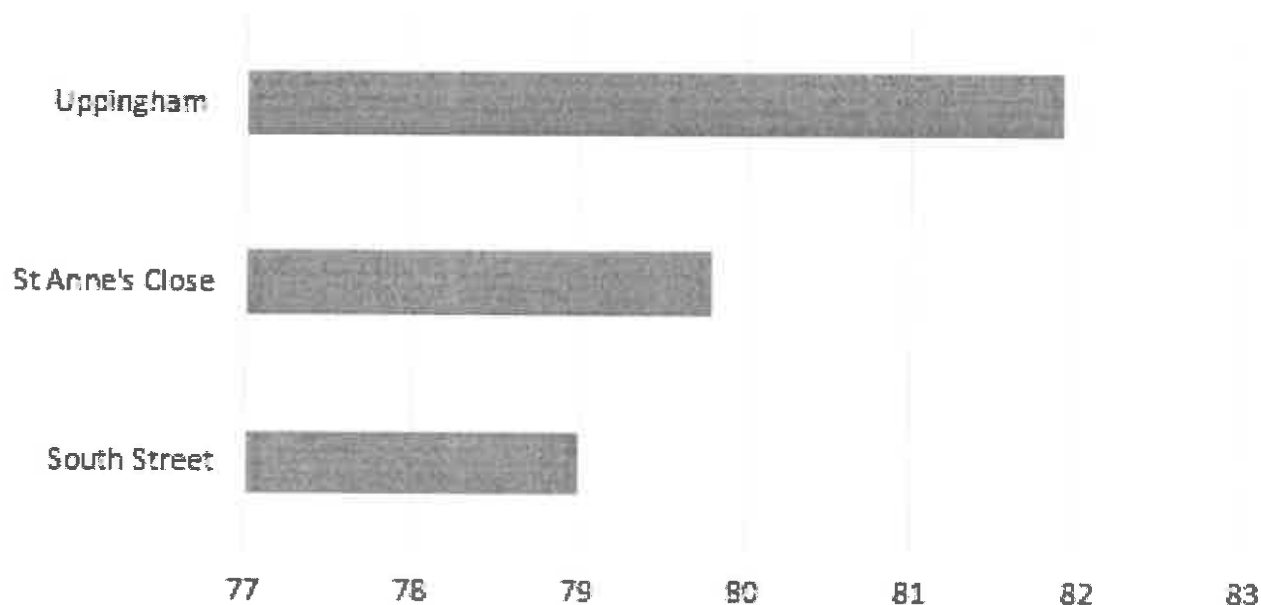
The Charity provides almshouse accommodation and grounds at two sites in Oakham (South Street and St Anne's Close) and one in Uppingham. It seeks to maintain the accommodation and its grounds in a good state of repair. It provides housing support services to residents, as described below.

BENEFICIARIES

As at the end of the financial year there were 116 beneficiaries (42 male, 74 female) occupying the 102 properties.

Currently the youngest beneficiary is 61 years of age, whilst the eldest is 97 years of age. The age distribution at each site is shown in the graph below:

Average Age of Beneficiaries by Site: 2021



The current average age of all beneficiaries combined is 80.1 years, this is a decrease on the figure for last year (81.1).

THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

GOVERNORS' REPORT

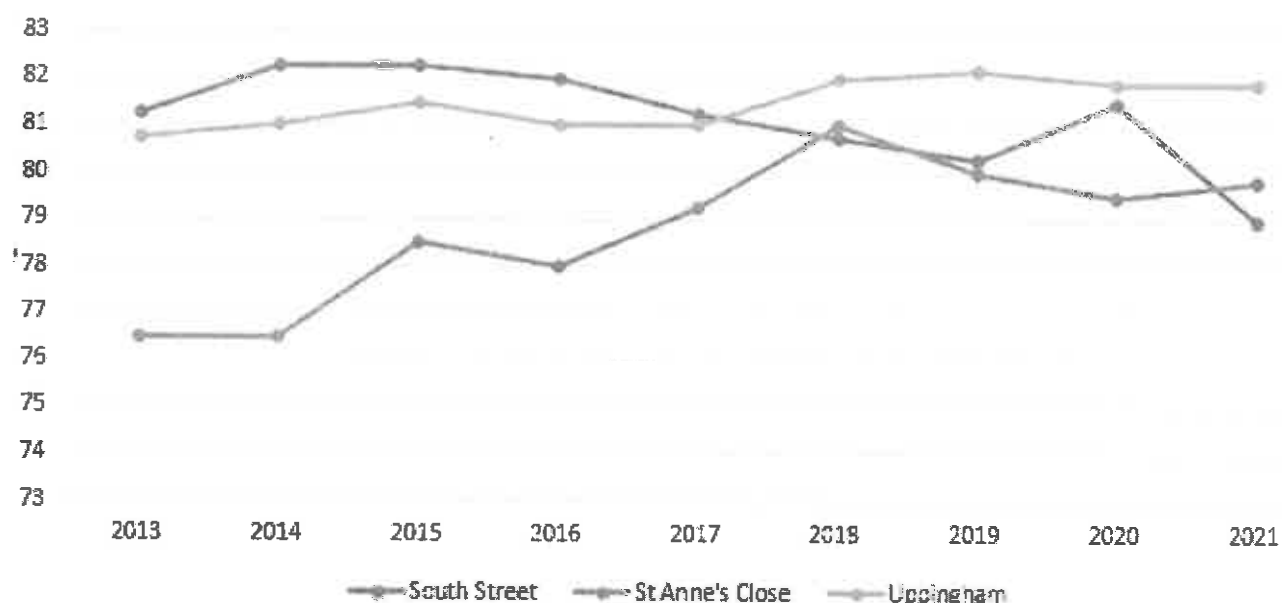
FOR THE YEAR ENDED 6 APRIL 2021

PRINCIPAL ACTIVITY – BENEFICIARIES & OCCUPANCY (continued)

Comparing the available evidence for previous years, the upward trend at Uppingham continues, with the average age sitting close to 82 years. This, perhaps surprisingly, is despite 41 % of its beneficiaries being male.

South Street continues to follow a long-term downward trend having recorded its lowest average age since such records were maintained:

Average Age Of Beneficiaries ;
Annual Trends by Site



Resident Movement during the year

During the year 2 beneficiaries moved on to accommodation elsewhere. This being less than the 5 such moves seen in each of the previous 3 years. Of these:

- 1 required nursing or residential care (3 in 2019/20),
- 1 moved abroad to be closer to their family.

During the year 10 beneficiaries passed away, more than the 5 recorded in 2019/20, but not significantly different to the 9 that were recorded in each of the previous two years. It is believed that 3 of these 10 residents died with a diagnosis of Covid-19, but as each death followed an extended period in hospital it is likely that this virus was acquired after admission.

12 new residents (2019/20 – 14) were appointed to 9 properties (2019/20 – 12) as qualified beneficiaries. Of those:

- 6 properties were allocated to applicants previously living within the county of Rutland
- 1 property was allocated to an applicant who was relocating from elsewhere in the UK so as to be living closer to a family member, whilst 2 properties were allocated to individuals moving from out of the county for other reasons.

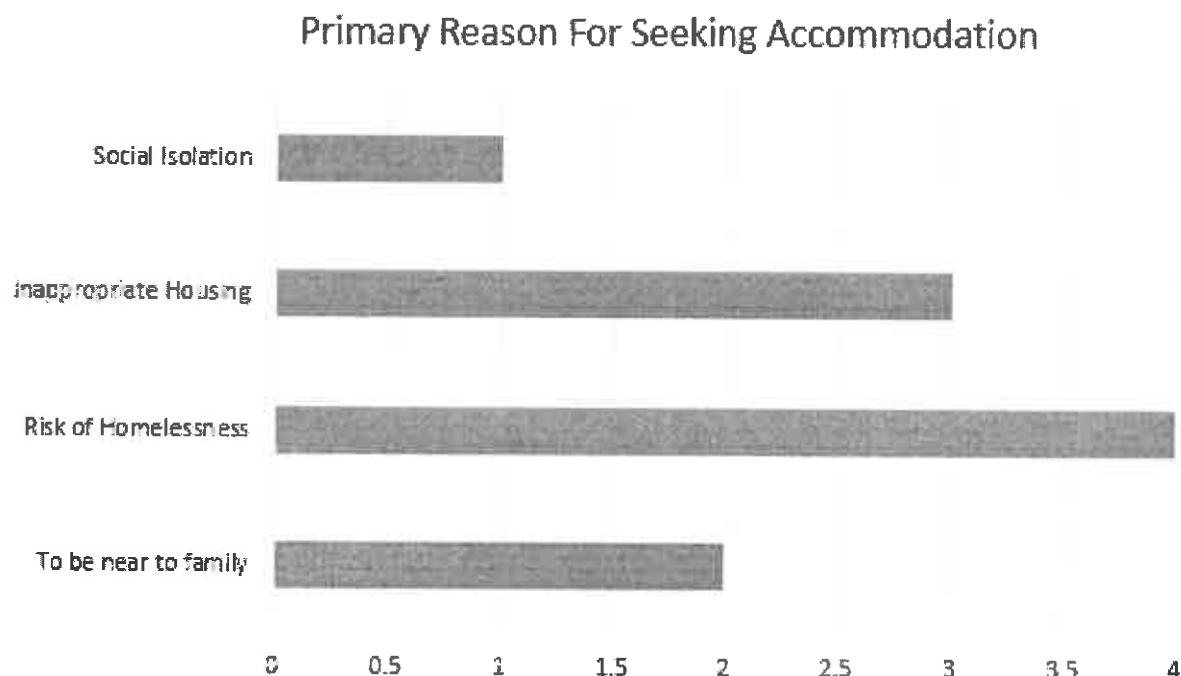
THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

GOVERNORS' REPORT

FOR THE YEAR ENDED 6 APRIL 2021

PRINCIPAL ACTIVITY – BENEFICIARIES & OCCUPANCY (continued)

The reasons for any beneficiary seeking accommodation can be complex and varied, but the primary reasons given in each of the 9 cases can be broken down as follows:



Applications Received during the year

During the year a total of 23 applications were received and processed (30 in 19/20). These applicants range from the oldest at 90 years to the youngest at 33 years of age.

The subject of the applications can be further broken down as follows:

Single females	11
Single males	8
Couples	4

Of the 23 applicants:

- 7 were rejected as failing to meet basic eligibility criteria, (age, wealth, etc)
- 5 withdrew their application before any offer of accommodation was made.

As stated above, the Charity was able to satisfy 9 applications during the past year; with there being 1 applicant still to be processed at the year end, and 2 applicants waiting to be offered accommodation (including 1 carried forward from 2019/20).

The Charity was also able to accept and meet the transfer request from 2 existing beneficiaries.

The Charity re-assesses the needs of all outstanding applications as and when any vacancy arises; the fact of being on the waiting list does not in itself amount to a promise of a future appointment.

THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

GOVERNORS' REPORT

FOR THE YEAR ENDED 6 APRIL 2021

PRINCIPAL ACTIVITY – BENEFICIARIES & OCCUPANCY (continued)

OCCUPANCY

The average occupancy rate across all properties has been impacted by the Covid-19 crisis experienced across all parts of our community. National lockdowns, reduced access to property services, and increased applicant evaluation periods are all likely to have contributed towards extended turnaround times for the voids that were experienced.

Similarly, the continued desire that the Charity use any available void period to undertake any significant work necessary improve the quality of the properties, a policy introduced in 2017, has remained the operational approach despite the problems listed above.

One other issue has also influenced void times, with various properties at Bonner House being required to remain empty for a number of months whilst steps were taken to replace the entrance into the building.

The void level target, as stated in the 2020/21 operational objectives (and thus that used as the basis of the 2020/21 budget) was 95%. The actual occupancy rate for the 2020/21 financial year, at 95.53% exceeded this target; given the Covid-19 challenges, the achieved occupancy stands up well against the rates recorded for the previous three years (96.4%, 95.4%, 95% respectively).

The average re-let time for a vacant property across the full year was 38.5 days (2019/20 65 days), with the number of re-lets as a percentage of stock being 15.68 %.

PRINCIPAL ACTIVITY – ALMSHOUSE PROPERTIES

During the year the portfolio consisted of 102 almshouse properties as follows:

South Street	41 properties	
	<ul style="list-style-type: none">• William Dalby House• David Royce House• Brooke Road	11 flats 23 flats 7 bungalows
St Anne's Close	28 properties	
Uppingham	33 properties	
	<ul style="list-style-type: none">• Bonner House• Taylor House• Johnson Road	12 flats 12 flats 9 bungalows

In addition to the almshouse accommodation, the Charity also maintains a heritage asset, a 14th century Chapel at St Anne's Close.

Since the end of the year an additional property has been added at William Dalby House by re-modelling the former office accommodation.

THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

GOVERNORS' REPORT

FOR THE YEAR ENDED 6 APRIL 2021

ACHIEVEMENTS & FUTURE PLANS

Summary

The past year has been notable for the challenges that have been presented by the Covid-19 pandemic. The Charity is proud that throughout the entire twelve-month period an administrative and support function continued to be delivered out of its Mill House office location. In achieving this, Covid-19 compliant controls were maintained across all sites, and both the Charity and its beneficiaries can feel fortunate that we did not experience the type of disruption or infection rate witnessed elsewhere across the country.

On balance, the year in question can be considered to have been a successful one, with the Charity well placed to be able to face the challenging economic environment that is likely to confront both the Charity and the wider community during the coming year and beyond.

Buildings / Site Development:

During the year:

- Following the adoption of an improved property refurbishments specification in 2017, progress towards meeting these higher aspirations has continued throughout the year, as and when opportunity has presented itself, and given the restricted access to contractors and materials difficulties posed by multiple periods of national lockdown.

Generally, the required work is disruptive, of the type that is not practical whilst the property is occupied, and undoubtedly extends the length of time a vacant property needs to be classified as a void.

Progress since the commencement of the programme is as follows, with the total number of completions to the improved specification as at the end of each financial year being:

2020/21	16 refurbishments completed
2019/20	12 refurbishments completed
2018/19	8 refurbishments completed
2017/18	4 refurbishments completed

As such the 2020/21 target of 4 units was achieved, despite the extremely difficult environment that existed for much of the year.

- The continuation of a programme to install level access showers into all properties continues, as vacancies permit. Currently 78/102 have been completed (76/102 - 2019/20).

As such the target of 2 that was identified at the start of the year was achieved.

- The continuation of a programme of installing combi-boilers into properties, in order to better manage water safety (Legionellosis Risk Assessment report 2016). It should be noted that this approach is not appropriate for Taylor House (Uppingham) or William Dalby House (Oakham) as they are both supplied by communal boilers, and as such, the project will be completed on achieving 79 installations.

The total number of installations so far completed at the end of the financial year is:

2020/21	30/79 properties installed with a combi-system
2019/20	27/79 properties Installed with a combi-system
2018/19	20/79 properties installed with a combi-system
2017/18	07/79 properties installed with a combi-system

THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

GOVERNORS' REPORT

FOR THE YEAR ENDED 6 APRIL 2021

ACHIEVEMENTS & FUTURE PLANS (continued)

Thus, the number of installations this year were slightly below the original target, due to the Covid-19 situation. It is expected that the shortfall will be remedied during 2021/22.

- The programme of fully replacing the flooring within all upper flats at St Anne's Close, a problem first accurately diagnosed in the last quinquennial inspection, continued with a further 2 properties being completed. Currently 5 out of 14 properties have so far received such attention.
- A tender process for the development of a new property on the site of what was the old SJSA office was completed, with work eventually commencing in early 2021.
- The planned appraisal of window frames, as outlined last year, was completed as part of a wider 2020 Stock Condition Survey undertaken by NCHA, which covered all 102 properties.
- Completion of the programme of installing AOVs (Automatic Opening Vents), as per the 2019 Fire Safety audit i.e. above the stairwells at both William Dalby House and Bonner House.
- Completion of an internal redecoration of David Royce House.
- The partial completion of a project to replace and upgrade lighting in the communal areas at St Anne's Close.
- Following a spate of distraction burglary attempts, CCTV coverage was introduced at the Brooke Road site.
- The grounds at St Anne's Close were re-modelled so as to both improve privacy and enhance the visual appeal of the site.
- That so much did get completed was itself an achievement, given the Covid-19 challenges, but some projects were unfortunately deferred. These included.

A significant amount of planned internal redecoration

The upgrading of lighting at St Anne's Close

Fire Safety improvements; Compartmentalisation work at David Royce House & Bonner House.

Planned for 2020/21:

- Continue to apply the accommodation standards identified in the 2016/17 Functional Suitability Study into refurbishment work as properties become vacant (target 4 per annum).
- Continue to implement the policy around accessibility standards / level access showers, as vacancies permit (target 2 per annum).
- To complete the development of an additional 2-bedroom property at William Dalby House.
- Complete the outstanding works on upgrading the lighting at St Anne's Close, carried forward from 2020/21.
- Complete all works identified as being necessary in the 2019 Fire Risk Assessments / Compartmentalisation Survey, which has been delayed by the disruption caused by Covid-19.

THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

GOVERNORS' REPORT

FOR THE YEAR ENDED 6 APRIL 2021

ACHIEVEMENTS & FUTURE PLANS (continued)

- Continue to replace the flooring at St Anne's Close as properties become vacant (target 2 per annum).
- Continue with the programme of internal redecoration, focusing on St Anne's Close (Common Room) and William Dalby House.
- Replace / rebuild the entrance area at Bonner House.
- Complete an options appraisal, for meeting the challenges associated with the 2025 digital switch-over, to enable a decision on the route to long-term service provision.
- Undertake a feasibility study on the installation of solar energy within SJSA properties, as part of a wider review of the possibility of moving towards the retro-fitting of "green / environmentally friendly" improvements.

The condition of all properties falling vacant will continue to be addressed before re-letting.

Property Maintenance and Estates Management:

A complete Property Maintenance and Estates Management service is currently provided under contract by Nottingham Community Housing Association (NCHA). The effectiveness of this approach in the delivery of a responsive, value for money, service for the beneficiaries, is reviewed annually by the Governors.

The Key Performance Indicators for 2020/21 show that the total number of NCHA administered jobs was 630, a 3% increase on the previous year.

The table below provides details of the type and value of the jobs undertaken, as well as the performance against the agreed response time standards. The Charity has in recent years expressed concern that the percentage of jobs being completed within the agreed timescales has been on the decline, and so it is pleased to see a positive improvement being reported, particularly given the potential for disruption that has been brought by the Covid-19 pandemic.

Number, Cost and Category of NCHA Repair requests 2020/21

Job Classification	Target	2020/21			2019/20	2018/19
		No of Jobs	Total value	% Delivered on Time	% Delivered on Time	% Delivered on Time
Emergency	24 hours	10	£1,086	90%	89%	100%
Relet		53	£40,491	100%		
Urgent	7 days	106	£9,723	95%	70%	79%
Routine	28 Days	90	£22,254	84%	76%	88%
Planned works	180 days	45	£51,382	98%	95%	85%
Servicing	Appt	326	£31,096	75%	84%	N/A
Totals		630	£156,032	83.70%	79.60%	87%

THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

GOVERNORS' REPORT

FOR THE YEAR ENDED 6 APRIL 2021

ACHIEVEMENTS & FUTURE PLANS (continued)

The appointment by SJSA of a Property Services Manager in early 2019 has enabled the Charity to have greater involvement in the management of resident expectations in respect of the repairs service, and to maintain a closer overview of the services that are being delivered. A significant sample of responsive repair jobs were individually followed up (72%), which recorded a 91% satisfaction rate from the beneficiary receiving the service.

Also, and for the first time, the Charity has been able to measure those responsive repair jobs which for a variety of reasons were not processed through NCHA;

Non-NCHA managed Responsive Repairs:	80
% completed on time:	100%:

The Residents Satisfaction Survey conducted in March 2021 provides possibly the clearest evidence of improvement within the delivery of a responsive repairs service. The recorded satisfaction level at 94% compares well against the 79% recorded in the previous survey of 2019.

Support Services:

In addition to the provision of housing and property maintenance, the Charity holds the belief that in delivering its strategic objective no 2, to enable beneficiaries to lead *"independent lives for as long as possible"* it is important that consideration be given to meeting their various and individual support needs.

In response to national and local changes to both the funding and delivery of health and social services, the Charity has in recent years continued to consider it appropriate that it should increase its own efforts to deliver effective housing-related support. Over the past twelve months, with all beneficiaries either "shielding", "social distancing", or "in lockdown" this has proven to be the correct approach. The Charity is proud that it delivered a support service that remained accessible for urgent and emergency situations throughout the year, and one where a daily presence at the Mill House office was maintained throughout.

At the current time SJSA support services are primarily through:

1. Tele-Support

All properties are covered by a Community Lifeline service delivered by Harborough Borough Council (Harborough Lifeline), and which is fully funded by SJSA, regardless of the financial situation of the individual beneficiary.

During the year Harborough Lifeline handled a total of 5763 SJSA generated calls (5672 in 2019/20), which including 142 service requests from individual residents. This traffic included 14 health / fall type emergency calls (42 in 2019/20). By far the greatest number of calls are generated by the door entry monitoring system.

The response times for all calls are monitored and reported on annually, and can be measured against the Quality Standards Framework requirements, as published by TSA (previously Telecare Services Association).

95.38% answered within 60 seconds (97.27% - 2019/20)
99.10% answered within 180 seconds (99.74% - 2019/20)

THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 6 APRIL 2021

ACHIEVEMENTS & FUTURE PLANS (continued)

The slight decline in average response time can in part be attributed to work being undertaken by Harborough Lifeline, necessary to upgrade their equipment, and is also a consequence of their staffing challenges during the Covid-19 pandemic. Overall, these reported response times give assurance that our beneficiaries receive an effective and efficient service from Harborough Lifeline.

In addition to the reactive type tele-support provision detailed above, each beneficiary is also offered the option to use a pro-active service provided by *Alertacall*, commonly known within SJSA as the *Okay-each-day* service.

During 2020/21 the average number of beneficiaries who took up this service was 85/102 (2019/20 – 86). During the year there were 86 occasions when the service contacted a named responder due to an individual not logging in. In addition, there were 13 occasions when this service initiated a repair request on behalf of a resident.

The *Alertacall* service also enables information messages to be delivered telephonically to groups of beneficiaries. This has proven to be particularly valuable during Covid-19 lock down periods. In total 40 different messages have been delivered, including 9 that were classified as urgent / emergency (e.g. advising that a distraction burglary had been reported in the immediate area).

The Resident Survey conducted in March 2021 would suggest that both services are well regarded by those who use them, with 100% of residents appreciating the Lifeline service (100% - 2019), and 91% the Alertacall service (87% - 2019).

2. Personal support

The Charity is conscious of the role that effective housing related support has in enabling beneficiaries to continue to live independent lives. As such SJSA employs a full time Support Worker in order to better meet the needs of the resident group.

Although accessible by all, traditionally the Support Worker resource has been focussed on the frailest 20% of our population. In this there was a significant change witnessed during 2020/21 as SJSA responded to the increased demands generated by the Covid-19 pandemic.

More contacts were made to significantly more beneficiaries, some requiring the adoption of new approaches, as the Charity attempted to offer adequate support to all. This did include deploying other staff to the task, including involvement of a group of Governors who were willing and able to volunteer their time.

Aside from the support provided during the Covid-19 outbreak the work of the Support Worker has over the past twelve months successfully delivered 25 benefits reviews (25 in 2019/20), 15 Blue Badge applications (17 in 2019/20), 12 OT referrals (12 in 2019/20), 13 Social Services referrals.

The SJSA support service was successful in assisting 10 different beneficiaries to claim a total of £92,500 in new "benefit income" during the year. Whilst this did not match the £220,000 obtained for 25 beneficiaries in 2019/20, it continues to demonstrate the positive outcome achievable from active housing support.

THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 6 APRIL 2021

ACHIEVEMENTS & FUTURE PLANS (continued)

Beneficiary involvement:

The Charity remains firm in its desire to consider the wishes and opinions of its beneficiaries, particularly in those decisions that directly impact on their day-to-day living. However, due to the various Covid-19 related restrictions contact and consultation with beneficiaries has proven to be challenging, with most of the usual methods not available at all during the past year. Some limited success has been achieved through:

- The increased publication of the *Jigsaw*, the residents' newsletter, that is normally published quarterly, but saw this doubled to 8 issues during 2020/21.
- In June 2020 the Charity, for the first time, produced a detailed annual report specifically intended to inform its beneficiaries. Following positive feedback it is now anticipated that this exercise will be repeated in future years.
- In March 2021 the Charity commissioned an independently conducted Resident Satisfaction Survey. Once the findings are published, the detail within the survey will be compared to that undertaken in 2019 and will be used to guide the future development of services in the coming years.
- All beneficiaries continue to be contacted at least annually by a Governor, who will then follow up with a personal visit when required. Due to the particular difficulties of the past 12 months Governors have made a conscious effort to contact each beneficiary at least twice, and in most cases three times during the year.

Recognition & Communication:

The Charity is also conscious of the need to raise awareness within the wider community, and to contribute to the wellbeing of the community beyond the immediate beneficiary group. During the past twelve months this has been achieved by:

- The Charity is a member of The Almshouse Association
- The Charity is also a member of SPBM (Smaller Housing Providers Benchmarking Group)
- As part of its desire to raise awareness within the wider community, and to support other organisations that share our objectives, the Charity has made its resources available to a range of external organisations. Whilst these groups have themselves generally been unable to meet due to the Covid-19 pandemic, SJSA has continued to work with: Age UK (Carers Support Group, Veterans group, Mostly Men Club), Oakham Walking Group, Co-op Ladies Group, Uppingham Local History Society, The Trefoil Guild, and the Baptist Church Sunday School.
- The Charity continues to work cooperatively with Rutland County Council in order to ensure that our partnership arrangements work effectively.

THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 6 APRIL 2021

VALUE FOR MONEY STATEMENT 2020-21

The format of this year's statement reflects the publication in April 2018 of the Regulator of Social Housing's *Value for Money Standard for Registered Providers*.

Metrics specified by the regulator	Outcome 2020/21	Outcome 2019/20
Metric 1: Reinvestment %	1.5%	4.7%
Metric 2a: New Supply (Social Housing Units) %	NIL	NIL
Metric 2b: New Supply (Non-Social Housing Units) %	NIL	NIL
Metric 3: Gearing %	(2.19%)	(1.09%)
Metric 4: EBITDA (Major Repairs Included) Interest Cover %	1,456%	1,302%
Metric 5: Headline Social Housing Cost per Unit	£6,902	£7,297
Metric 6A: Operating Margin (social housing lettings only) %	(3.7%)	(12.6%)
Metric 6B: Operating Margin (overall) %	8.9%	8.1%
Metric 7: Return on Capital Employed %	0.6%	0.4%

In the spring of 2020 the Charity joined SPBM, with the intention of utilising its benchmarking capabilities to provide meaningful comparators in future years. However, at the current time comparison can only be made with the VFM figures stated in the Annual Report of the previous year. Detailed throughout this report are a number of performance metrics that are currently of relevance to this Charity, and which combined help demonstrate the value being achieved year-on-year by St John & St Anne.

FINANCIAL REVIEW

In the year to 6 April 2021 the Charity's finances benefited from a positive outcome on net incoming resources, of some £70,000 (2020: £39,000) and from a gain on investment valuations of some £1,010,000 (2020: loss £444,000). As a result, balance sheet total funds have increased to some £11.5 million (2020: £10.5 million), within which cash and cash-equivalents comprise some £0.9 million (2020: £0.8 million).

Investments and investment performance are dealt with in more detail below.

Much of the Charity's expenditure on operational properties is now accounted for as additions to fixed assets. These amounted to a little over £121,000 in the year (2020: £360,000). These costs and plans for future years are significantly affected by the Governors' strategic decision not simply to replace operational property assets on a like-for-like basis as and when they reach the end of their economically useful lives, but to focus on any available improvements better suited to the Charity's objective of providing accommodation suitable for residents to live independently for as long as possible. The Governors' approach to financing these costs and plans is dealt with further below in the paragraphs on Reserves and Reserves Policy.

THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 6 APRIL 2021

FINANCIAL REVIEW (continued)

Investments and investment performance

The Charity holds investments on account of Permanent Endowment, Restricted and Designated Funds, the investments being spread over farmland, listed investments and cash.

The investment management objectives are that:

- the Charity should, over the long term, receive regular investment income sufficient to ensure that it can continue its charitable activities at least at their present level and with full attention to the need for maintenance and repair of operational properties;
- the Charity should maintain sufficient liquidity in its investment and cash assets to be confident at any one time of meeting its cash flow needs for the subsequent year;
- whilst pursuing these income and liquidity objectives, management of the Charity's investments should, so far as possible, maintain or enhance the value of the Charity's permanent endowment and other investments.

In pursuing the above objectives, the Charity maintains a direct investment in farmland; maintains assets in deposit-based and equity-based investments (managed by CCLA) in respect of Restricted and Designated Reserves; and has arranged for the permanent endowment listed investment portfolio to be managed on a discretionary basis by Smith & Williamson Investment Managers, within a framework of ethical investment criteria (adopted from those published for the Church of England) and a willingness to be exposed to a medium level of market risk.

In relation to the investment income objective and the portfolio managed by Smith & Williamson, the Governors set a target of £100,000 before fees for investment income in the year. Income received of £105,446 (2020: £123,451) exceeded this target. Together with farmland and other investment income, total investment income was £115,019 (2020: £136,018) before investment management costs of £23,081 (2020: £21,944).

In relation to the liquidity objective there was no call during the year to sell or re-allocate investments in order to make an extra contribution to liquidity needs.

As to the objective relating to capital values, at 6 April 2021 the balance sheet total for investments was £5,994,434 (2020: £4,972,075). The large majority of this value is in assets which are independently valued at the year end; for one category of investment – the farmland – the Governors' practice is to obtain a professional valuation every three years; such a valuation was obtained in 2019 and the Governors consider that it remains appropriate.

Reserves and Reserves Policy

At the year end the total funds held by the Charity were some £11.56 million, made up of:

	£ million
Endowment funds	10.36
Restricted funds	0.38
Unrestricted designated funds	0.42
Unrestricted general funds	<u>0.40</u>
	<u>11.56</u>

THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 6 APRIL 2021

FINANCIAL REVIEW (continued)

Reserves and Reserves Policy (continued)

The Endowment funds are the permanent capital of the Charity. On the asset side of the balance sheet, they are represented by:

- Operational properties held for the long term;
- Investments, the income from which is available to subsidise operating costs, but the capital value of which is not expendable except with the consent of the Charity Commission.

The Restricted funds are also not available for expenditure. Formally they represent a Recoupment Fund set up in two stages, firstly when the Charity expended capital towards the cost of the South Street, Oakham, flats in 1976, and secondly when capital was expended on the first development at Uppingham in 1980. In both cases, the Charity was required by the Charity Commission to set aside an annual sum of £602 over sixty years to recoup this capital. When that term expires, the capital of the recoupment fund will be added to the Permanent Endowment investments.

By contrast, Unrestricted funds are available for expenditure at Governors' discretion in pursuit of the Charity's purposes. Within this category there are two sub-categories – one where the Governors have 'designated' or earmarked funds for one or more particular future purposes, and General funds which have not been so earmarked.

At the year end the Designated funds of £419,676 comprised an Extraordinary Repairs Reserve of £358,080 and a Cyclical Maintenance Reserve of £61,596.

The Extraordinary Repairs Reserve is used to enable major property expenditure to be planned over a 5-year timescale, having regard to any need for funding above the level of cashflow generated by almshouse operations and investment income. Based on this approach a transfer of £10,251 has been made in these accounts from the Extraordinary Repairs Reserve to the General Reserve (2020 £181,655), leaving a balance of £358,080 (2020 £368,331) which suffices, but is not excessive, having regard to current plans for the next 5 years.

A second designated reserve (for Cyclical Maintenance) is maintained to fund lesser, periodic, planned repairs and maintenance and is funded by an annual transfer from the income of the Charity. Expenditure in the year of £96,519 (2020 - £84,396) was less than the annual transfer of £102,286 (2020 - £99,012) and the balance therefore increased to £61,596 (2020 - £55,829).

THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 6 APRIL 2021

FINANCIAL REVIEW (continued)

Reserves and Reserves Policy (continued)

The General Unrestricted funds represent the accumulated balance to date of the income of the Charity after meeting all almshouse, management and other running costs and transfers to the Cyclical Maintenance and Extraordinary Repair reserves. In common with other charities, the Charity needs to maintain a balance on such General Reserves in order to ensure that, in the event of any abrupt or unforeseen worsening in the Charity's operating finances, the Charity can continue its activities for a sufficient period of time to be able to recover and/or find a new basis of financing its activities. The relevant annual cost for the Charity is now running at a level of approximately £0.6 million p.a. (total resources expended excluding depreciation which is not a 'cash cost'); the Unrestricted General Reserve at 6 April 2021 (£398,170) therefore suffices for some 8 months' operating 'cash costs'. The Governors consider that this is appropriate in current circumstances (see further below in relation to Covid-19).

Risk management

The Covid-19 pandemic presents the Charity with both direct and indirect risks; the Governors are taking as much care as possible to minimise the impact of these risks on the Charity's beneficiaries and in the Charity's finances. To date the efforts involved have been successful and Governors are grateful to the Clerk and other staff and to the residents for what they have done and continue to do. The Governors consider that the policy described above in respect of the financial General Reserve is adequate to meet the risks as currently assessed.

As to other risks, the Governors assess from time to time the major risks to which the Charity is exposed and are satisfied that systems are in place to mitigate exposure to these. These risks relate to:

- (i) providing and maintaining a safe and secure environment for our residents and for others who work at or visit the Charity's premises;
- (ii) providing and maintaining governance, financial and administrative arrangements to safeguard the Charity's assets, to promote its long-term health and to facilitate its operational activities.

The Charity's main strategy to address these risks is (i) to review from time to time the particular areas where such risks may be either most likely to arise or where their impact would be most serious and to devise and implement particular mitigation plans as appropriate in the light of such review; and (ii) at all times and on a continuous basis to keep under review, and to report to Governors, any work necessary to ensure that the Charity's properties provide a safe and secure environment.

In addition Governors are conscious that the scale and smooth running of the Charity's operations depends to a considerable extent upon governmental regimes, systems and services. Some aspects of the future of these are subject to significant uncertainty. Governors seek to minimise the risks to the Charity from such uncertainty by keeping abreast of relevant developments (in particular through The Almshouse Association) and by regular review, particularly at the time of annual budgeting.

THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 6 APRIL 2021

Statement of Governors' responsibilities

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

The law applicable to charities in England and Wales requires the Governors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity for that year.

In preparing these accounts, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Governors are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the governing instruments. 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.

The Governors' report was approved by the Governing Body on 9 July 2021.



D Pattinson
Governor



J Orme
Governor

THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

INDEPENDENT AUDITOR'S REPORT

TO THE GOVERNORS OF THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

We have audited the financial statements of The Hospital of St John the Evangelist and of St Anne in Okeham for the year ended 6 April 2021, which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, 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 to the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the accounts:

- give a true and fair view of the state of the Charity's affairs as at 6 April 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with the 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 UK, including the FRC'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 Governors' 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 Governors with respect to going concern are described in the relevant sections of this report.

Other information

The Governors are responsible for the other information. The other information comprises the information included in the Governors' 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, except to the extent otherwise explicitly stated in our report, 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 in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Governors' report; 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.

THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE GOVERNORS OF THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

Responsibilities of Governors

As explained more fully in the Governors' responsibilities statement set out on page 18, the Governors are responsible for the preparation of financial statements which give a true and fair view, and for such internal control as the Governors 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 Governors 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 Governors 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 regulations made under section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments;
- Assessing whether the judgements made in accounting estimates are indicative of a potential bias;
- Evaluating the rationale of any significant transactions that are unusual or outside the normal course of business;
- Analytical procedures are performed as well as substantive testing to identify any potential misstatement due to fraud; and
- The audit procedures would also involve being aware of any such items from reviewing minutes and third party communications and reports and discussions held with staff and management to obtain an understanding.

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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE GOVERNORS OF THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

Use of our report

This report is made solely to the Charity's Governors, 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 Governors those matters we are required to state to them in an auditors' 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 the Charity's Governors as a body, for our audit work, for this report, or for the opinions we have formed.



Stephenson Smart & Co

23/7/2021

**Chartered Accountants
Statutory Auditor**

36 Tyndall Court
Commerce Road
Lynchwood
Peterborough
Cambridgeshire
PE2 6LR

Stephenson Smart & Co is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 6 APRIL 2021

		Unrestricted funds	Restricted funds	Permanent endowment funds	Total 2021	Total 2020
	Notes	£	£	£	£	£
<u>Income and endowments from:</u>						
Charitable activities	3	656,179	-	-	656,179	660,795
Investments	4	115,019	-	-	115,019	136,018
Other income	5	3,550	22,500	-	26,050	3,073
Donations and legacies	6	-	-	-	-	5,240
Total income and endowments		774,748	22,500	-	797,248	805,126
<u>Expenditure on:</u>						
Charitable activities	7	550,485	-	153,469	703,954	744,259
Investment management costs	8	23,081	-	-	23,081	21,944
Total resources expended		573,566	-	153,469	727,035	766,203
Net incoming/(outgoing) resources before transfers and gains/(losses) on investments		201,182	22,500	(153,469)	70,213	38,923
Net gains/(losses) on investments		-	74,236	935,891	1,010,127	(443,526)
Net incoming/(outgoing) resources before transfers		201,182	96,736	782,422	1,080,340	(404,603)
Gross transfers between funds		(83,680)	(21,898)	105,578	-	-
Net movement in funds		117,502	74,838	888,000	1,080,340	(404,603)
Fund balances at 7 April 2020		700,344	310,612	9,476,495	10,487,451	10,892,054
Fund balances at 6 April 2021		817,846	385,450	10,364,495	11,567,791	10,487,451

THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

BALANCE SHEET

AS AT 6 APRIL 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	12	5,444,661		5,479,969	
Investments	13	5,994,434		4,972,075	
		11,439,095		10,452,044	
Current assets					
Debtors	15	53,876		20,786	
Cash at bank and in hand		406,446		307,501	
		460,322		328,287	
Creditors: amounts falling due within one year	16	(108,479)		(79,942)	
Net current assets		351,843		248,345	
Total assets less current liabilities		11,790,938		10,700,389	
Creditors: amounts falling due after more than one year	17	(223,147)		(212,938)	
Net assets		11,567,791		10,487,451	
Capital funds					
Unrestricted funds - general		398,170		276,184	
Unrestricted funds - designated	21	419,676		424,160	
Total unrestricted funds		817,846		700,344	
Endowment funds	22	10,364,495		9,476,495	
<i>Including revaluation reserve of £1,937,885 (2020: £1,139,366)</i>					
Restricted funds	23	385,450		310,612	
<i>Including revaluation reserve of £273,761 (2020: £199,526)</i>					
		11,567,791		10,487,451	

The financial statements were approved by the Governing Body and authorised for issue on 9 July 2021 and are signed on its behalf by:

D Pattinson
Governor



J Orme
Governor



THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 6 APRIL 2021

	Notes	2021 £	£	2020 £	£
Cash flow from operating activities	(i)		142,522		70,625
Cash flow from investing activities					
Purchase of tangible fixed assets		(121,435)		(360,273)	
Investment purchases and disposals	(ii)	3,057		344,087	
Interest income		595		3,612	
Investment income (net of investment management costs)		91,938		114,074	
Net cash flow from Investing activities			(25,845)		101,500
Cash flow from financing activities					
Repayment of bank loans		(11,815)		(11,295)	
Drawdown of loan		25,000		-	
Interest paid		(15,628)		(16,526)	
Net cash flow from financing activities			(2,443)		(27,821)
Net increase in cash and cash equivalents			114,234		144,304
Cash and cash equivalents at beginning of year			811,767		667,463
Cash and cash equivalents at end of year			926,001		811,767
Cash and cash equivalents consists of:					
Bank balances and short term deposits			406,446		307,501
Investment cash balances			519,555		504,266
Cash and cash equivalents at end of year			926,001		811,767

THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

NOTES TO THE STATEMENT OF CASHFLOWS

FOR THE YEAR ENDED 6 APRIL 2021

	Notes	2021 £	2020 £
Note (i) – Reconciliation of net income/(expenditure) to net cash flow from operating activities			
Net incoming/(outgoing) resources		70,213	38,923
Adjustments for:			
Investment income recognised in statement of financial activities		(115,019)	(136,018)
Investment management costs		23,081	21,944
Depreciation and loss on disposal of tangible fixed assets	(iii)	156,743	172,654
Interest payable		15,628	16,526
Interest received		(595)	(3,612)
Decrease/(Increase) in debtors		(33,090)	722
(Decrease)/Increase in creditors		25,561	(40,514)
Net cash flow from operating activities		<u>142,522</u>	<u>70,625</u>
Note (ii) - Investment purchases and disposals			
Purchase of other investments		(698,625)	(537,469)
Proceeds on disposal of other investments		701,682	881,556
		<u>3,057</u>	<u>344,087</u>
Note (iii) - Depreciation and impairment of tangible fixed assets			
Depreciation and impairment of tangible fixed assets		155,745	146,529
Loss on disposal of tangible fixed assets		998	26,125
		<u>156,743</u>	<u>172,654</u>

Analysis of changes in net debt

	Balance at 7 April 2020	Cash flows	Other non-cash movements	Balance at 6 April 2021
	£	£	£	£
Cash	307,501	98,945	-	406,446
Loans due within one year	(11,747)	(2,976)	-	(14,723)
Loans due after one year	(212,938)	(10,209)	-	(223,147)
	<u>82,816</u>	<u>85,760</u>	<u>-</u>	<u>168,576</u>

THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 6 APRIL 2021

1 Accounting policies

Charity information

The Hospital of St John the Evangelist and of St Anne in Okeham is a Registered Charity and Registered Social Housing Provider that is primarily an endowed Almshouse Charity.

1.1 Accounting convention

The Charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued on October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The Charity is a Registered Social Housing Provider. In accordance with the requirements of the Housing SORP, the Charity has applied the Charities SORP in the preparation of these financial statements.

The accounts 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 Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The accounts are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared on the historical cost convention as modified by the revaluation of investments. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the accounts, the Governors have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Governors continue to adopt the going concern basis of accounting in preparing the accounts.

1.3 Charitable funds

Unrestricted funds

General funds

Unrestricted funds are available for use at the discretion of the Governors in furtherance of their charitable objectives unless the funds have been designated for other purposes.

THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 6 APRIL 2021

1 Accounting policies (continued)

1.3 Charitable funds (continued)

Unrestricted funds (continued)

Designated funds

The following unrestricted funds have been designated at the discretion of the Governors for specific purposes as follows:

Extraordinary repair fund

The extraordinary repair fund has been set up to fund large scale repairs, renovations and improvements which occur from time to time.

Cyclical maintenance fund

The cyclical maintenance fund has been set up to fund periodic, non annual, repairs and maintenance and is funded by an annual transfer based on The Almshouse Association guideline figures.

Restricted fund

Recoupment fund

The Recoupment fund was set up in two stages, firstly when the Charity expended capital towards the cost of the South Street, Oakham flats in 1976, and secondly when capital was expended on the first development at Uppingham in 1980. In both cases, the Charity was required by the Charity Commission to set aside an annual sum over sixty years to recoup this capital. When that term expires, the balance on the Reserve will be transferred to the credit of Permanent Endowment and the assets held on account of the reserve transferred to Fixed Asset Investments.

Office conversion project

This fund relates to Social Housing Grant awarded to facilitate the development and provision of Affordable Housing. The use of the grant is restricted to the delivery of affordable dwellings pursuant to Homes England's Shared Ownership Affordable Homes Programme 2016-2021.

Permanent endowment funds

Permanent endowment funds represent the capital of the Charity and are invested in operational properties (i.e. almshouse residential properties), farmland, listed investments and cash. This capital is not expendable but the income generated represents unrestricted income.

1.4 Incoming resources

Income is recognised when the Charity is legally entitled to it.

All residents' weekly maintenance contributions are recognised when due and investment income is recognised when receivable.

1.5 Resources expended

Expenditure is recognised when a legal or constructive obligation has fallen due.

All expenditure is accounted for on an accruals basis. All expenses including governance costs are allocated or apportioned to the applicable expenditure headings. Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 6 APRIL 2021

1 Accounting policies (continued)

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Freehold land and housing properties

Freehold land is not depreciated. Depreciation is charged so as to write down the cost of freehold housing properties to their estimated residual value on a straight line basis over their estimated useful economic lives at the following annual rates:

Main fabric of buildings	Over 100 years	Mechanical installations	Over 30 years
Roof	Over 70 years	Electrical installations	Over 40 years
Windows and external doors	Over 30 years	Lifts	Over 20 years
Gas boilers	Over 15 years	Kitchens	Over 20 years
Fire alarms and lifeline equipment	Over 20 years	Buggy store	Over 30 years
Bathrooms	Over 30 years	Access ramps/steps	Over 30 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities for the year.

Furnishings and equipment

Furnishings and equipment are stated at cost less accumulated depreciation. Depreciation is provided to write off the cost of assets over their expected economic useful lives on a straight line basis of either 10% or 25%.

Social Housing Grant

The Charity is currently redeveloping unused office space into an additional two bedroom flat.

Where developments have been financed wholly or partly by Social Housing Grant (SHG), the amounts of the grants received are recognised as incoming resources using the performance model. On the sale of a property, or if another relevant event takes place, SHG may become repayable, although it is normally available to be recycled and used for a new Social Housing project approved by the Homes & Communities Agency. The cumulative amount of Social Housing Grant received at 6 April 2021 was £3,079,370 (2020: £3,056,870).

1.7 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is measured using the fair value model and stated at its fair value at the reporting end date. The surplus or deficit on revaluation is recognised in net incoming/(outgoing) resources for the year.

1.8 Impairment of fixed assets

At each reporting end date, the Governors review the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 6 APRIL 2021

1 Accounting policies (continued)

1.8 Impairment of fixed assets (continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/(expenditure) for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.9 Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains/(losses) on investments' in the Statement of Financial Activities if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, bank overdrafts and cash held as fixed asset investments. Bank overdrafts are shown within borrowings in current liabilities.

1.11 Financial Instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method and fixed asset investments which are recognised and subsequently measured in accordance with the accounting policy at note 1.7.

1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Value added tax

The Charity is unable to reclaim any Value Added Tax (VAT) it incurs on its expenditure. This irrecoverable tax is a cost to the Charity and consequently all figures within these financial statements are stated inclusive of any VAT incurred (unless stated otherwise).

1.14 Business combinations

Where acquisitions are in substance the gifting of control of a business to the Charity the combination is treated as a non-exchange transaction and the fair value of the gifted assets and liabilities in the transaction is recorded as a gain or loss in the statement of financial activities in the year of combination.

THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 6 APRIL 2021

1 Accounting policies (continued)

1.15 Operating leases

Rentals applicable to operating leases where subsequently all of the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities.

1.16 Major repair costs

The Charity capitalises expenditure on housing properties which results in an enhancement of the economic benefit of the asset such as an increase in the net rental stream over the life of the property. An increase in the net rental stream may arise through an increase in net rental income, a reduction in future maintenance costs, or a significant extension of the useful life of the property.

Expenditure on works which does not meet this criteria is written off to the Statement of Financial Activities in the year in which it is incurred. This includes expenditure incurred to ensure that the property can maintain its existing level of net rental income or the standard of performance anticipated when the property was first acquired or constructed.

2 Critical accounting estimates and judgements

In the application of the Charity's accounting policies, the Governors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Charitable activities

	2021	2020
	£	£
Provision of almshouses - residents' weekly maintenance contributions	656,179	660,795

4 Investments

	2021	2020
	£	£
Rental income	8,978	8,955
Income from listed investments	105,446	123,451
Interest receivable	595	3,612
	115,019	136,018

THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 6 APRIL 2021

5 Other income

	2021	2020
	£	£
Common room lets	-	1,050
Sundry site receipts	1,569	2,023
Grant received – Covid-19	1,981	-
Performance related grant	22,500	-
	<u>26,050</u>	<u>3,073</u>
Analysis by fund		
Unrestricted funds	3,550	3,073
Restricted funds	<u>22,500</u>	<u>-</u>
	<u>26,050</u>	<u>3,073</u>

6 Donations and legacies

	2021	2020
	£	£
Donations and gifts	<u>-</u>	<u>5,240</u>

THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 6 APRIL 2021

7 Charitable activities

	Provision of Almshouses	
	2021	2020
	£	£
Staff costs	180,703	165,180
Depreciation and loss on disposal of fixed assets	156,743	172,654
Day to day maintenance	84,324	121,748
Cyclical maintenance	96,519	84,396
Utilities	31,685	28,886
Window cleaning and materials	1,893	1,470
Support worker expenses	540	529
Alertacall	15,094	16,848
Charitable benefit	35,036	39,199
Landscaping	23,969	23,969
Buildings and contents insurance	7,726	7,482
Management	35,185	46,685
Door entry system	11,343	11,340
Void properties	1,494	1,127
	<u>682,254</u>	<u>721,513</u>
Governance costs (see note 9)	21,700	22,746
	<u>703,954</u>	<u>744,259</u>
Analysis by fund		
Unrestricted funds	550,485	574,236
Endowment funds	<u>153,469</u>	<u>169,993</u>
	<u>703,954</u>	<u>744,259</u>

8 Investment management costs

	2021	2020
	£	£
Investment management	23,081	21,944
	<u>23,081</u>	<u>21,944</u>

THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 6 APRIL 2021

9 Support costs

	Governance costs £	2021 £	2020 £	Basis of allocation
Audit fees	6,072	6,072	6,220	100% charitable activities
Interest payable	15,628	15,628	16,526	100% charitable activities
	<u>21,700</u>	<u>21,700</u>	<u>22,746</u>	

10 Governors

None of the Governors (or any persons connected with them) received any remuneration from the Charity during the year. One Governor was reimbursed a total of £43 for travelling expenses (2020: £129).

THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 6 APRIL 2021

11 Employees

Number of employees

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

	2021 Number	2020 Number
Clerk	1	1
Administration Assistant	1	1
Property Services Manager	1	1
Finance Officer	1	1
Residents' Support Worker	1	1
Housekeeper	1	1
	<u>6</u>	<u>6</u>

Employment costs

	2021 £	2020 £
Wages and salaries	157,726	144,112
Social security costs	10,466	9,204
Other pension costs	12,511	11,864
	<u>180,703</u>	<u>165,180</u>

Remuneration of key management personnel

The remuneration of key management personnel is as follows:

	2021 £	2020 £
Remuneration benefits for the Clerk to the Charity	<u>52,095</u>	<u>46,368</u>

There were no employees whose annual remuneration was £60,000 or more.

THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 6 APRIL 2021

12 Tangible fixed assets

	Land and buildings £	Fixture, fittings and equipment £	Total £
Cost			
At 7 April 2020	7,589,443	64,449	7,653,892
Additions	118,799	2,636	121,435
Disposals	(15,918)	(896)	(16,814)
At 6 April 2021	7,692,324	66,189	7,758,513
Depreciation and impairment			
At 7 April 2020	2,122,100	51,823	2,173,923
Depreciation charged in the year	152,471	3,274	155,745
Depreciation on disposals	(14,920)	(896)	(15,816)
At 6 April 2021	2,259,651	54,201	2,313,852
Carrying amount			
At 6 April 2021	5,432,673	11,988	5,444,661
At 6 April 2020	5,467,343	12,626	5,479,969

THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 6 APRIL 2021

13 Fixed asset investments

	2021 £	2020 £
Listed investments	4,819,879	3,812,809
Farmland	655,000	655,000
Cash and cash equivalents:		
- Investment management deposit account	80,262	76,640
- COIF deposit account - Extraordinary repair fund	358,079	370,383
- COIF deposit account - Cyclical maintenance fund	81,214	57,243
	<u>5,994,434</u>	<u>4,972,075</u>

The farmland was valued in March 2019 by Richardson Chartered Surveyors an independent professional valuer. The Governors are of the opinion that this revaluation continues to reflect the fair value of the farmland at 6 April 2021.

The listed investments are valued at market value. The Governors consider variability of investment returns on the permanent endowment to constitute the Charity's major financial risk. This is mitigated by retaining expert investment managers and having a diversified investment portfolio.

Movements in fixed asset investments

	Cash £	Shares £	Farmland £	Total £
Cost or valuation				
At 7 April 2020	504,266	3,812,809	655,000	4,972,075
Additions	15,289	698,625	-	713,914
Valuation changes	-	872,754	-	872,754
Disposals	-	(564,309)	-	(564,309)
At 6 April 2021	<u>519,555</u>	<u>4,819,879</u>	<u>655,000</u>	<u>5,994,434</u>
Carrying amount				
At 6 April 2021	<u>519,555</u>	<u>4,819,879</u>	<u>655,000</u>	<u>5,994,434</u>
At 6 April 2020	<u>504,266</u>	<u>3,812,809</u>	<u>655,000</u>	<u>4,972,075</u>

The gain on investment disposals during the year based on historic cost was £129,468 (2020: £333,984).

THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 6 APRIL 2021

14	Financial instruments	2021 £	2020 £
	Carrying amount of financial assets		
	Equity instruments measured at fair value less impairment	4,819,879	3,812,809
		<u>4,819,879</u>	<u>3,812,809</u>
	Carrying amount of financial liabilities		
	Loans measured at amortised cost	237,870	224,685
		<u>237,870</u>	<u>224,685</u>

Financial assets pledged as collateral

The loans are secured and some carry a variable rate of interest as described in note 18.

The interest payments on these loans are therefore susceptible to changes in interest rates. The Governors acknowledge these risks, though they also acknowledge that the financial impact of any increases in interest rates will be mitigated by corresponding increases in the performance of their fixed asset investments.

15	Debtors	2021 £	2020 £
	Amounts falling due within one year:		
	Other debtors	35,463	1,858
	Prepayments and accrued income	18,413	18,928
		<u>53,876</u>	<u>20,786</u>

16	Creditors: amounts falling due within one year	Notes	2021 £	2020 £
	Loans and overdrafts	18	14,723	11,747
	Trade creditors		63,477	39,624
	Other creditors		14,574	11,001
	Accruals and deferred income		15,705	17,570
			<u>108,479</u>	<u>79,942</u>

17	Creditors: amounts falling due after more than one year	Notes	2021 £	2020 £
	Loans and overdrafts	18	223,147	212,938
			<u>223,147</u>	<u>212,938</u>

THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 6 APRIL 2021

18 Loans and overdrafts

	2021 £	2020 £
Long term housing loans	237,870	224,685
Payable within one year	14,723	11,747
Payable after one year	223,147	212,938
Amounts included above which fall due after five years:		
Payable by instalments	161,047	162,788

The long-term housing loans are secured by specific charges on the Charity's housing properties.

The Charity has loan facilities with the Norwich and Peterborough Building Society and Rutland County Council. The loan facilities are secured by specific charges on the Charity's housing properties.

There are two loans with Rutland County Council. One is a fixed rate loan which is repayable at a rate of 12% per annum, the other has a fixed annual capital repayment with interest calculated at prevailing local government rates.

The remaining loan with the Norwich and Peterborough Building Society is repayable at a variable interest rate based on LIBOR plus a margin of 1.25%, subject to a minimum interest rate of 4.2%.

The two loans outstanding with Rutland County Council totalling £112,955 (2020: £114,273) are due to be fully repaid in 2048 and 2052 respectively. The loan of £99,915 (2020: £110,412) outstanding with Norwich and Peterborough Building Society is due to be fully repaid by 2028.

During the current year a loan of £25,000 was received from The Almshouse Association. The loan is interest free and unsecured. The loan is repayable over 10 years and repaid in six monthly instalments.

19 Lease Commitments

	2021 £	2020 £
The future minimum operating lease payments are as follows:		
Within one year	15,000	15,000
Between one and two years	15,000	15,000
Between two and five years	25,000	40,000
	55,000	70,000

THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 6 APRIL 2021

20 Analysis of net assets between funds

	Unrestricted funds £	Designated funds £	Restricted funds £	Endowment funds £	Total £
Fund balances at 6 April 2021 are represented by:					
Tangible fixed assets	11,988	-	-	5,432,673	5,444,661
Investments	19,616	419,676	385,450	5,169,692	5,994,434
Current assets/(liabilities)	366,566	-	-	(14,723)	351,843
Creditors due after one year	-	-	-	(223,147)	(223,147)
	<u>398,170</u>	<u>419,676</u>	<u>385,450</u>	<u>10,364,495</u>	<u>11,567,791</u>

21 Designated funds

	Balance at 7 April 2020 £	Transfers £	Balance at 6 April 2021 £
Cyclical maintenance fund	55,829	5,767	61,596
Extraordinary repairs fund	368,331	(10,251)	358,080
	<u>424,160</u>	<u>(4,484)</u>	<u>419,676</u>

22 Endowment funds

	Balance at 7 April 2020 £	Depreciation and loss on disposal of land and buildings £	Transfers £	Revaluations gains and losses £	Balance at 6 April 2021 £
Permanent endowment fund	<u>9,476,495</u>	<u>(153,469)</u>	<u>105,578</u>	<u>935,891</u>	<u>10,364,495</u>

Transfers from general funds of £83,078 include additions to land and buildings, a loan from The Almshouse Association and loan capital repaid during the year. Transfers from restricted funds of £22,500 include a capital grant.

THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 6 APRIL 2021

23 Restricted funds

	Balance at 7 April 2020	Income	Increase in value of investments	Transfers	Balance at 6 April 2021
	£	£	£	£	£
Recoupment fund	310,612	-	74,236	602	385,450
Office conversion project	-	22,500	-	(22,500)	-
	<u>310,612</u>	<u>22,500</u>	<u>74,236</u>	<u>(21,898)</u>	<u>385,450</u>

24 Related parties

The Clerk's Mother is a resident of the Charity. The application for, and terms of, her appointment were undertaken on an arms-length basis in accordance with the Charity's normal policies and procedures.

25 Capital commitments

Capital expenditure contracted for but not provided for in the financial statements amounts to £63,602. This is to be financed with internal cash funding together with a loan received from The Almshouse Association and a grant from Homes England.

Charity Registration No. 218931

Registered Social Housing Provider No. A0611

**THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST
ANNE IN OKEHAM**

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 6 APRIL 2021



THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

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THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

GOVERNORS' REPORT

FOR THE YEAR ENDED 6 APRIL 2021

The Governors present their report and accounts for the year ended 6 April 2021.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charity's governing instruments, the Charities Act 2011 and "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)".

Reference and administrative details

Working title	St John & St Anne
Charity number	218931
Registered Social Housing Provider No.	A0611
Principal address	Mill House South Street Oakham Rutland LE15 6HY
Governing instruments	Royal Charter dated 3 May 1597 as amended 2 July 1976 Supplemental Charter dated 21 January 1998 as amended 27 February 2003 and 9 February 2011

Principal advisors

Auditors	Stephenson Smart & Co 36 Tyndall Court Commerce Road Lynchwood Peterborough PE2 6LR
Bankers	Barclays Bank plc 10 High Street Oakham LE15 6AN Norwich and Peterborough Building Society Peterborough Business Park Lynch Wood Peterborough PE2 6WZ
Investment Managers	Smith & Williamson Investment Management 3rd Floor 9 Colmore Row Birmingham B3 2BJ

THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

GOVERNORS' REPORT

FOR THE YEAR ENDED 6 APRIL 2021

Principal advisors (continued)

Farmland advisors

Shouler & Son
County Chambers
Kings Road
Melton Mowbray
LE13 1QF

Murray
Market Street
Oakham
LE15 6DY

Governors

Chairman

Mr D Pattinson

Name

Committee membership

Ex-Officio

The Bishop of Peterborough
The Dean of Peterborough
The Patron, Ms C Johnson
The Rector of Luffenham
The Rector of Uppingham
The Vicar of Oakham

House (to 24.2.21)

Ex-Officio appointees on behalf of:

Dr J Seden on behalf of the Bishop of Peterborough	House, Property
Mrs J Mayhew on behalf of Rector of Luffenham	(wef 24.2.21) House
Rev D Smith-Wilds on behalf of Rector of Uppingham	(wef 24.2.21) House

Peterborough Diocesan Board of Finance appointees:

Mr R Smith	Property (Ch), Finance & GP
Mr D Pattinson	Finance & GP
Mr V Harvey	Finance & GP, Property

Co-Opted:

Mrs E Woodhead	House (Ch)
Mrs A Whittington	(wef 1.8.20) House
Mrs H Bush	(to 31.7.20) House
Mrs S Spilner	House
Mr J Orme	Finance & GP (Ch), Property
Mrs F Craven	House, Property
Mrs E Jupp	Finance & GP

Officers

Position

Name

Clerk
Property Services Manager
Administrative Assistant
Finance Officer
Residents' Support Worker

Mr P Martin
Mr D McClelland
Mrs K Ayres
Mrs G Matthew
Mrs V Porter

THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

GOVERNORS' REPORT

FOR THE YEAR ENDED 6 APRIL 2021

OBJECTIVES

Based on the terms of the original licence for the foundation of the Hospital dated 21 May 1399 and the Royal Charter granted by Queen Elizabeth I in 1597 (and amended in 1976) the Charity's purpose is to provide accommodation for almspeople who shall be poor persons resident at the time of appointment in the District of Rutland or elsewhere in England.

The Governors review annually the strategic elements which they consider appropriate for pursuing the above charitable purpose; during the year under review they re-confirmed a strategy summarised as follows:

- 1) We are a Rutland charity.
- 2) Our aim is to provide good quality and well-maintained accommodation, and an environment suitable for retired people who cannot afford their own home, to lead independent lives for as long as possible.
- 3) We value community and continuity for our residents and for ourselves.
- 4) We work with others who share our objectives.
- 5) We look to the long-term health of the Charity.
- 6) Our priority theme for 2021 is to continue to improve the suitability of our properties.

PUBLIC BENEFIT

The Governors have due regard to the Charity Commission's guidance on public benefit. They believe that the Charity provides a public benefit by the provision within the County of accommodation for older people of limited means, which enables them to be able to live independently.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Hospital of St John the Evangelist and of St Anne in Okeham is a body corporate (by virtue of the 1597 Royal Charter) with a Governing Body and staff.

THE GOVERNING BODY

The Governing Body is made up of 15 members – the Patron (being a descendant of Archdeacon Johnson, the petitioner for the 1597 Royal Charter); 5 ex-officio Governors (being persons holding specific offices in the Diocese of Peterborough and in certain Rutland parishes); 3 Governors appointed by the Peterborough Diocesan Board of Finance; and 6 co-opted Governors. In 2011 provision was made by Supplemental Charter for any ex-officio Governors who so wish to appoint, subject to Governing Body agreement, an appropriate person to represent him or her at meetings of the Governing Body; currently 3 ex-officio Governors are represented by such an appointment.

The Governing Body meets 4 times a year; in addition, there are 3 committees (House, Property, and Finance & General Purposes). Also, from time-to-time ad hoc working groups are formed to address specific topics.

The Governing Body is conscious of the need to maintain, as far as possible, a matrix of skills and life experience combined with continuity of appointment. To this end Governors approve from time-to-time arrangements for persons who are willing to become full governors when a

THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

GOVERNORS' REPORT

FOR THE YEAR ENDED 6 APRIL 2021

vacancy arises to attend and participate on a non-voting basis as 'governors-in-waiting'. This is an important aspect of the induction process and ensures an understanding of the Charity is acquired before becoming a full governor. The Charity's induction procedures ensure that prospective governors are made aware of the responsibilities of being a governor. For recruiting prospective governors the Charity makes use of Governors' knowledge of the local community, supplemented by wider publicity.

THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

GOVERNORS' REPORT

FOR THE YEAR ENDED 6 APRIL 2021

THE CLERK AND STAFF

The Clerk is the Chief Executive Officer of the Charity. In addition, there are four other staff members employed to undertake finance, property, and support functions. There is also a Housekeeper, employed on a part time basis, to ensure all communal areas are clean and tidy.

The Governors approve remuneration levels designed to enable the Charity to recruit and retain the skilled staff needed to manage, support, and deliver its aims. The Charity has a policy of paying at least the Real Living Wage. Remuneration is adjusted annually in line with RPI.

OUT-SOURCED PROFESSIONAL SERVICES

The Charity has outsourced certain services, as follows:

Property and Estates Management - Nottingham Community Housing Association,
Investment Management - Smith & Williamson Investment Management,
Payroll Services - Stephenson Smart & Co.

PRINCIPAL ACTIVITY - BENEFICIARIES & OCCUPANCY

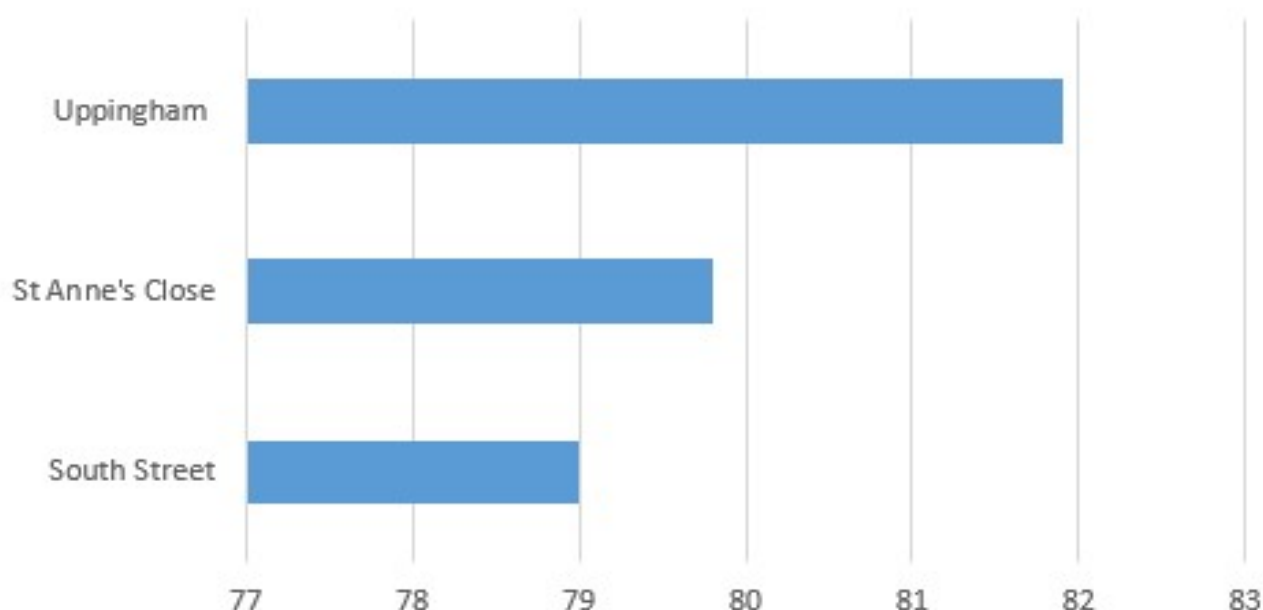
The Charity provides almshouse accommodation and grounds at two sites in Oakham (South Street and St Anne's Close) and one in Uppingham. It seeks to maintain the accommodation and its grounds in a good state of repair. It provides housing support services to residents, as described below.

BENEFICIARIES

As at the end of the financial year there were 116 beneficiaries (42 male, 74 female) occupying the 102 properties.

Currently the youngest beneficiary is 61 years of age, whilst the eldest is 97 years of age. The age distribution at each site is shown in the graph below:

Average Age of Beneficiaries by Site: 2021



THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

GOVERNORS' REPORT

FOR THE YEAR ENDED 6 APRIL 2021

The current average age of all beneficiaries combined is 80.1 years, this is a decrease on the figure for last year (81.1).

THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

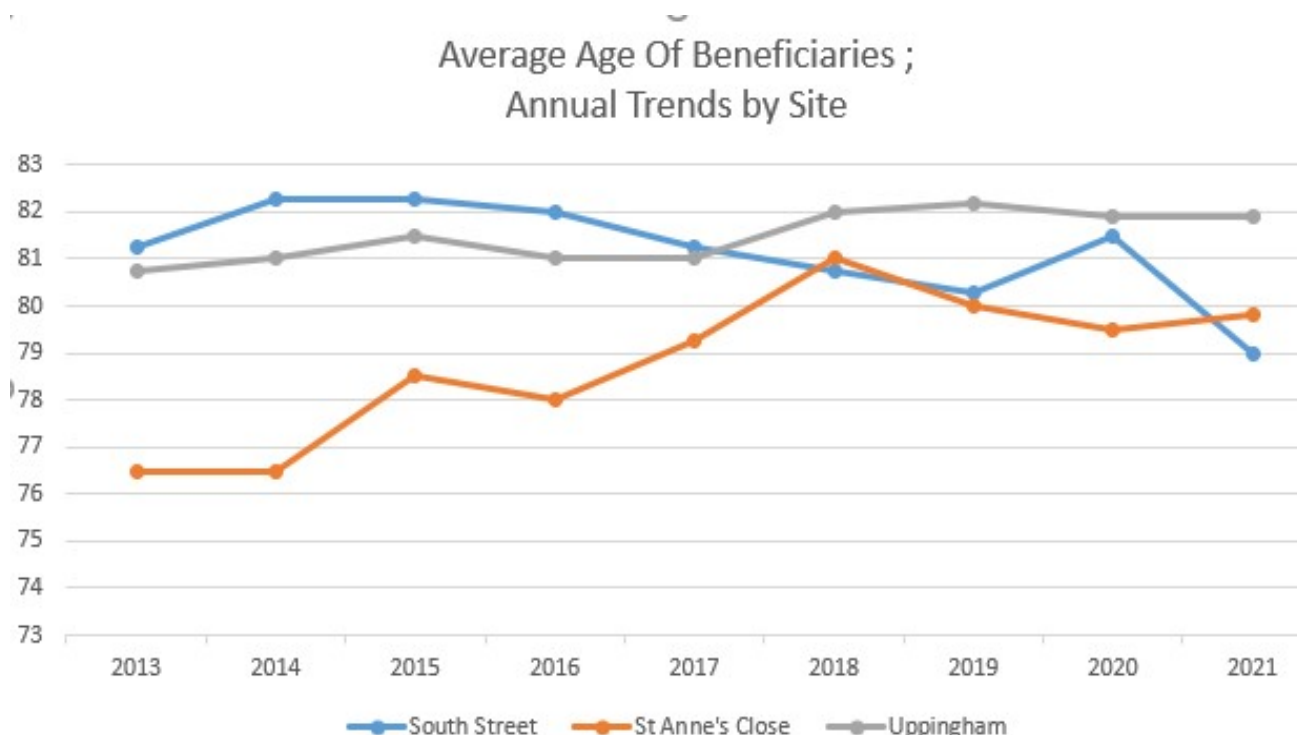
GOVERNORS' REPORT

FOR THE YEAR ENDED 6 APRIL 2021

PRINCIPAL ACTIVITY - BENEFICIARIES & OCCUPANCY (continued)

Comparing the available evidence for previous years, the upward trend at Uppingham continues, with the average age sitting close to 82 years. This, perhaps surprisingly, is despite 41 % of its beneficiaries being male.

South Street continues to follow a long-term downward trend having recorded its lowest average age since such records were maintained:



Resident Movement during the year

During the year 2 beneficiaries moved on to accommodation elsewhere. This being less than the 5 such moves seen in each of the previous 3 years. Of these:

- 1 required nursing or residential care (3 in 2019/20),
- 1 moved abroad to be closer to their family.

During the year 10 beneficiaries passed away, more than the 5 recorded in 2019/20, but not significantly different to the 9 that were recorded in each of the previous two years. It is believed that 3 of these 10 residents died with a diagnosis of Covid-19, but as each death followed an extended period in hospital it is likely that this virus was acquired after admission.

12 new residents (2019/20 - 14) were appointed to 9 properties (2019/20 - 12) as qualified beneficiaries. Of those:

- 6 properties were allocated to applicants previously living within the county of Rutland
- 1 property was allocated to an applicant who was relocating from elsewhere in the UK so as to be living closer to a family member, whilst 2 properties were allocated to individuals moving from out of the county for other reasons.

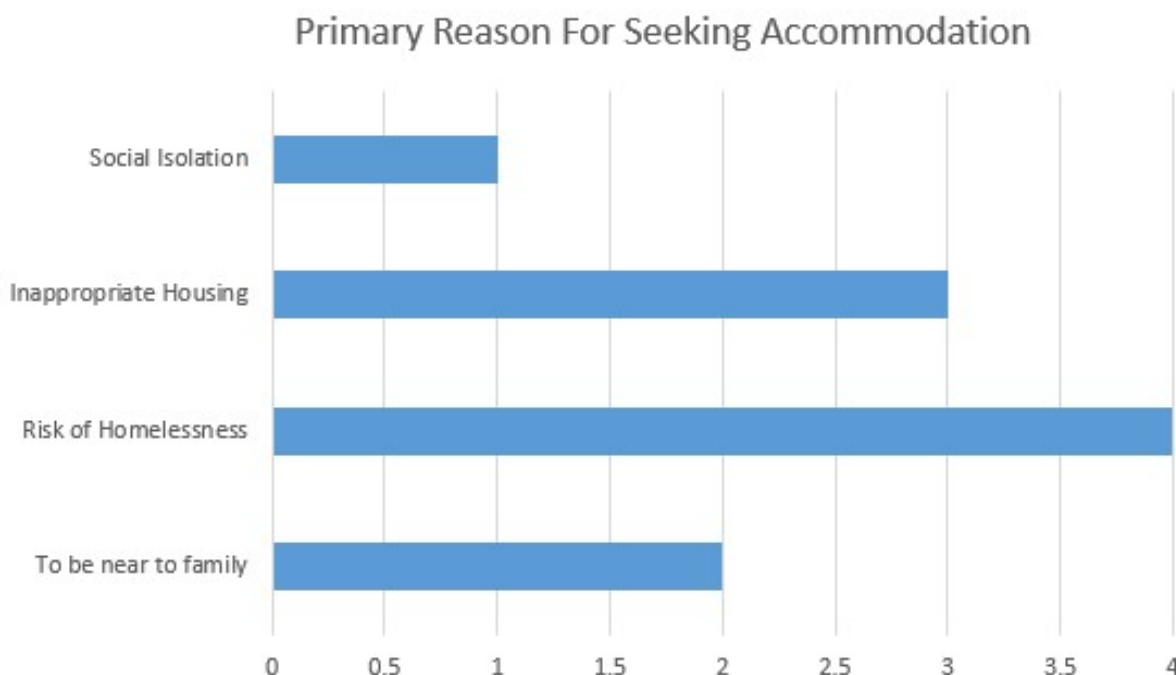
THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

GOVERNORS' REPORT

FOR THE YEAR ENDED 6 APRIL 2021

PRINCIPAL ACTIVITY - BENEFICIARIES & OCCUPANCY (continued)

The reasons for any beneficiary seeking accommodation can be complex and varied, but the primary reasons given in each of the 9 cases can be broken down as follows:



Applications Received during the year

During the year a total of 23 applications were received and processed (30 in 19/20). These applicants range from the oldest at 90 years to the youngest at 33 years of age.

The subject of the applications can be further broken down as follows:

Single females	11
Single males	8
Couples	4

Of the 23 applicants:

- 7 were rejected as failing to meet basic eligibility criteria, (age, wealth, etc)
- 5 withdrew their application before any offer of accommodation was made.

As stated above, the Charity was able to satisfy 9 applications during the past year; with there being 1 applicant still to be processed at the year end, and 2 applicants waiting to be offered accommodation (including 1 carried forward from 2019/20).

The Charity was also able to accept and meet the transfer request from 2 existing beneficiaries.

The Charity re-assesses the needs of all outstanding applications as and when any vacancy arises; the fact of being on the waiting list does not in itself amount to a promise of a future appointment.

THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

GOVERNORS' REPORT

FOR THE YEAR ENDED 6 APRIL 2021

PRINCIPAL ACTIVITY - BENEFICIARIES & OCCUPANCY (continued)

OCCUPANCY

The average occupancy rate across all properties has been impacted by the Covid-19 crisis experienced across all parts of our community. National lockdowns, reduced access to property services, and increased applicant evaluation periods are all likely to have contributed towards extended turnaround times for the voids that were experienced.

Similarly, the continued desire that the Charity use any available void period to undertake any significant work necessary improve the quality of the properties, a policy introduced in 2017, has remained the operational approach despite the problems listed above.

One other issue has also influenced void times, with various properties at Bonner House being required to remain empty for a number of months whilst steps were taken to replace the entrance into the building.

The void level target, as stated in the 2020/21 operational objectives (and thus that used as the basis of the 2020/21 budget) was 95%. The actual occupancy rate for the 2020/21 financial year, at 95.53% exceeded this target; given the Covid-19 challenges, the achieved occupancy stands up well against the rates recorded for the previous three years (96.4%, 95.4%, 95% respectively).

The average re-let time for a vacant property across the full year was 38.5 days (2019/20 65 days), with the number of re-lets as a percentage of stock being 15.68 %.

PRINCIPAL ACTIVITY - ALMSHOUSE PROPERTIES

During the year the portfolio consisted of 102 almshouse properties as follows:

South Street	41 properties	
	<ul style="list-style-type: none">William Dalby HouseDavid Royce HouseBrooke Road	11 flats 23 flats 7 bungalows
St Anne's Close	28 properties	
Uppingham	33 properties	
	<ul style="list-style-type: none">Bonner HouseTaylor HouseJohnson Road	12 flats 12 flats 9 bungalows

In addition to the almshouse accommodation, the Charity also maintains a heritage asset, a 14th century Chapel at St Anne's Close.

Since the end of the year an additional property has been added at William Dalby House by re-modelling the former office accommodation.

THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

GOVERNORS' REPORT

FOR THE YEAR ENDED 6 APRIL 2021

ACHIEVEMENTS & FUTURE PLANS

Summary

The past year has been notable for the challenges that have been presented by the Covid-19 pandemic. The Charity is proud that throughout the entire twelve-month period an administrative and support function continued to be delivered out of its Mill House office location. In achieving this, Covid-19 compliant controls were maintained across all sites, and both the Charity and its beneficiaries can feel fortunate that we did not experience the type of disruption or infection rate witnessed elsewhere across the country.

On balance, the year in question can be considered to have been a successful one, with the Charity well placed to be able to face the challenging economic environment that is likely to confront both the Charity and the wider community during the coming year and beyond.

Buildings / Site Development:

During the year:

- Following the adoption of an improved property refurbishments specification in 2017, progress towards meeting these higher aspirations has continued throughout the year, as and when opportunity has presented itself, and given the restricted access to contractors and materials difficulties posed by multiple periods of national lockdown.
Generally, the required work is disruptive, of the type that is not practical whilst the property is occupied, and undoubtedly extends the length of time a vacant property needs to be classified as a void.

Progress since the commencement of the programme is as follows, with the total number of completions to the improved specification as at the end of each financial year being:

2020/21	16 refurbishments completed
2019/20	12 refurbishments completed
2018/19	8 refurbishments completed
2017/18	4 refurbishments completed

As such the 2020/21 target of 4 units was achieved, despite the extremely difficult environment that existed for much of the year.

- The continuation of a programme to install level access showers into all properties continues, as vacancies permit. Currently 78/102 have been completed (76/102 - 2019/20).
As such the target of 2 that was identified at the start of the year was achieved.
- The continuation of a programme of installing combi-boilers into properties, in order to better manage water safety (Legionellosis Risk Assessment report 2016). It should be noted that this approach is not appropriate for Taylor House (Uppingham) or William Dalby House (Oakham) as they are both supplied by communal boilers, and as such, the project will be completed on achieving 79 installations.

The total number of installations so far completed at the end of the financial year is:

2020/21	30/79 properties installed with a combi-system
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THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

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2019/20	27/79 properties Installed with a combi-system
2018/19	20/79 properties installed with a combi-system
2017/18	07/79 properties installed with a combi-system

ACHIEVEMENTS & FUTURE PLANS (continued)

Thus, the number of installations this year were slightly below the original target, due to the Covid-19 situation. It is expected that the shortfall will be remedied during 2021/22.

- The programme of fully replacing the flooring within all upper flats at St Anne's Close, a problem first accurately diagnosed in the last quinquennial inspection, continued with a further 2 properties being completed. Currently 5 out of 14 properties have so far received such attention.
- A tender process for the development of a new property on the site of what was the old SJSA office was completed, with work eventually commencing in early 2021.
- The planned appraisal of window frames, as outlined last year, was completed as part of a wider 2020 Stock Condition Survey undertaken by NCHA, which covered all 102 properties.
- Completion of the programme of installing AOVs (Automatic Opening Vents), as per the 2019 Fire Safety audit i.e. above the stairwells at both William Dalby House and Bonner House.
- Completion of an internal redecoration of David Royce House.
- The partial completion of a project to replace and upgrade lighting in the communal areas at St Anne's Close.
- Following a spate of distraction burglary attempts, CCTV coverage was introduced at the Brooke Road site.
- The grounds at St Anne's Close were re-modelled so as to both improve privacy and enhance the visual appeal of the site.
- That so much did get completed was itself an achievement, given the Covid-19 challenges, but some projects were unfortunately deferred. These included:

A significant amount of planned internal redecoration

The upgrading of lighting at St Anne's Close

Fire Safety improvements; Compartmentalisation work at David Royce House & Bonner House.

Planned for 2020/21:

- Continue to apply the accommodation standards identified in the 2016/17 Functional Suitability Study into refurbishment work as properties become vacant (target 4 per annum).

THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

GOVERNORS' REPORT

FOR THE YEAR ENDED 6 APRIL 2021

- Continue to implement the policy around accessibility standards / level access showers, as vacancies permit (target 2 per annum).
- To complete the development of an additional 2-bedroom property at William Dalby House.
- Complete the outstanding works on upgrading the lighting at St Anne's Close, carried forward from 2020/21.
- Complete all works identified as being necessary in the 2019 Fire Risk Assessments / Compartmentalisation Survey, which has been delayed by the disruption caused by Covid-19.

ACHIEVEMENTS & FUTURE PLANS (continued)

- Continue to replace the flooring at St Anne's Close as properties become vacant (target 2 per annum).
- Continue with the programme of internal redecoration, focusing on St Anne's Close (Common Room) and William Dalby House.
- Replace / rebuild the entrance area at Bonner House.
- Complete an options appraisal, for meeting the challenges associated with the 2025 digital switch-over, to enable a decision on the route to long-term service provision.
- Undertake a feasibility study on the installation of solar energy within SJSA properties, as part of a wider review of the possibility of moving towards the retro-fitting of "green / environmentally friendly" improvements.

The condition of all properties falling vacant will continue to be addressed before re-letting.

Property Maintenance and Estates Management:

A complete Property Maintenance and Estates Management service is currently provided under contract by Nottingham Community Housing Association (NCHA). The effectiveness of this approach in the delivery of a responsive, value for money, service for the beneficiaries, is reviewed annually by the Governors.

The Key Performance Indicators for 2020/21 show that the total number of NCHA administered jobs was 630, a 3% increase on the previous year.

The table below provides details of the type and value of the jobs undertaken, as well as the performance against the agreed response time standards. The Charity has in recent years expressed concern that the percentage of jobs being completed within the agreed timescales has been on the decline, and so it is pleased to see a positive improvement being reported, particularly given the potential for disruption that has been brought by the Covid-19 pandemic.

Number, Cost and Category of NCHA Repair requests 2020/21

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		2020/21			2019/20	2018/19
Job Classification	Target	No of Jobs	Total value	% Delivered on Time	% Delivered on Time	% Delivered on Time
Emergency	24 hours	10	£1,086	90%	89%	100%
Relet		53	£40,491	100%		
Urgent	7 days	106	£9,723	95%	70%	79%
Routine	28 Days	90	£22,254	84%	76%	88%
Planned works	180 days	45	£51,382	98%	95%	85%
Servicing	Appt	326	£31,096	75%	84%	N/A
Totals		630	£156,032	83.70%	79.60%	87%

ACHIEVEMENTS & FUTURE PLANS (continued)

The appointment by SJSA of a Property Services Manager in early 2019 has enabled the Charity to have greater involvement in the management of resident expectations in respect of the repairs service, and to maintain a closer overview of the services that are being delivered. A significant sample of responsive repair jobs were individually followed up (72%), which recorded a 91% satisfaction rate from the beneficiary receiving the service.

Also, and for the first time, the Charity has been able to measure those responsive repair jobs which for a variety of reasons were not processed through NCHA:

Non-NCHA managed Responsive Repairs: 80
% completed on time: 100%

The Residents Satisfaction Survey conducted in March 2021 provides possibly the clearest evidence of improvement within the delivery of a responsive repairs service. The recorded satisfaction level at 94% compares well against the 79% recorded in the previous survey of 2019.

Support Services:

In addition to the provision of housing and property maintenance, the Charity holds the belief that in delivering its strategic objective no 2, to enable beneficiaries to lead "*independent lives for as long as possible*" it is important that consideration be given to meeting their various and individual support needs.

In response to national and local changes to both the funding and delivery of health and social services, the Charity has in recent years continued to consider it appropriate that it should increase its own efforts to deliver effective housing-related support. Over the past twelve months, with all beneficiaries either "shielding", "social distancing", or "in lockdown" this has proven to be the correct approach. The Charity is proud that it delivered a support service that remained accessible for urgent and emergency situations throughout the year, and one where a daily presence at the Mill House office was maintained throughout.

At the current time SJSA support services are primarily through:

1. Tele-Support

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GOVERNORS' REPORT

FOR THE YEAR ENDED 6 APRIL 2021

All properties are covered by a Community Lifeline service delivered by Harborough Borough Council (Harborough Lifeline), and which is fully funded by SJSA, regardless of the financial situation of the individual beneficiary.

During the year Harborough Lifeline handled a total of 5763 SJSA generated calls (5672 in 2019/20), which including 142 service requests from individual residents. This traffic included 14 health / fall type emergency calls (42 in 2019/20). By far the greatest number of calls are generated by the door entry monitoring system.

The response times for all calls are monitored and reported on annually, and can be measured against the Quality Standards Framework requirements, as published by TSA (previously Telecare Services Association).

95.38% answered within 60 seconds (97.27% - 2019/20)

99.10% answered within 180 seconds (99.74% - 2019/20)

THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 6 APRIL 2021

ACHIEVEMENTS & FUTURE PLANS (continued)

The slight decline in average response time can in part be attributed to work being undertaken by Harborough Lifeline, necessary to upgrade their equipment, and is also a consequence of their staffing challenges during the Covid-19 pandemic. Overall, these reported response times give assurance that our beneficiaries receive an effective and efficient service from Harborough Lifeline.

In addition to the reactive type tele-support provision detailed above, each beneficiary is also offered the option to use a pro-active service provided by *Alertacall*, commonly known within SJSA as the *Okay-each-day* service.

During 2020/21 the average number of beneficiaries who took up this service was 85/102 (2019/20 - 86). During the year there were 86 occasions when the service contacted a named responder due to an individual not logging in. In addition, there were 13 occasions when this service initiated a repair request on behalf of a resident.

The *Alertacall* service also enables information messages to be delivered telephonically to groups of beneficiaries. This has proven to be particularly valuable during Covid-19 lock down periods. In total 40 different messages have been delivered, including 9 that were classified as urgent / emergency (e.g. advising that a distraction burglary had been reported in the immediate area).

The Resident Survey conducted in March 2021 would suggest that both services are well regarded by those who use them, with 100% of residents appreciating the Lifeline service (100% - 2019), and 91% the Alertacall service (87% - 2019).

2. Personal support

The Charity is conscious of the role that effective housing related support has in enabling beneficiaries to continue to live independent lives. As such SJSA employs a full time Support Worker in order to better meet the needs of the resident group.

Although accessible by all, traditionally the Support Worker resource has been focussed on the frailest 20% of our population. In this there was a significant change witnessed during 2020/21 as SJSA responded to the increased demands generated by the Covid-19 pandemic.

More contacts were made to significantly more beneficiaries, some requiring the adoption of new approaches, as the Charity attempted to offer adequate support to all. This did include deploying other staff to the task, including involvement of a group of Governors who were willing and able to volunteer their time.

Aside from the support provided during the Covid-19 outbreak the work of the Support Worker has over the past twelve months successfully delivered 25 benefits reviews (25 in 2019/20), 15 Blue Badge applications (17 in 2019/20), 12 OT referrals (12 in 2019/20), 13 Social Services referrals.

The SJSA support service was successful in assisting 10 different beneficiaries to claim a total of £92,500 in new "benefit income" during the year. Whilst this did not match the £220,000 obtained for 25 beneficiaries in 2019/20, it continues to demonstrate the positive outcome achievable from active housing support.

THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 6 APRIL 2021

ACHIEVEMENTS & FUTURE PLANS (continued)

Beneficiary involvement:

The Charity remains firm in its desire to consider the wishes and opinions of its beneficiaries, particularly in those decisions that directly impact on their day-to-day living. However, due to the various Covid-19 related restrictions contact and consultation with beneficiaries has proven to be challenging, with most of the usual methods not available at all during the past year. Some limited success has been achieved through:

- The increased publication of the *Jigsaw*; the residents' newsletter, that is normally published quarterly, but saw this doubled to 8 issues during 2020/21.
- In June 2020 the Charity, for the first time, produced a detailed annual report specifically intended to inform its beneficiaries. Following positive feedback it is now anticipated that this exercise will be repeated in future years.
- In March 2021 the Charity commissioned an independently conducted Resident Satisfaction Survey. Once the findings are published, the detail within the survey will be compared to that undertaken in 2019 and will be used to guide the future development of services in the coming years.
- All beneficiaries continue to be contacted at least annually by a Governor, who will then follow up with a personal visit when required. Due to the particular difficulties of the past 12 months Governors have made a conscious effort to contact each beneficiary at least twice, and in most cases three times during the year.

Recognition & Communication:

The Charity is also conscious of the need to raise awareness within the wider community, and to contribute to the wellbeing of the community beyond the immediate beneficiary group. During the past twelve months this has been achieved by:

- The Charity is a member of The Almshouse Association
- The Charity is also a member of SPBM (Smaller Housing Providers Benchmarking Group).
- As part of its desire to raise awareness within the wider community, and to support other organisations that share our objectives, the Charity has made its resources available to a range of external organisations. Whilst these groups have themselves generally been unable to meet due to the Covid-19 pandemic, SJSA has continued to work with: Age UK (Carers Support Group, Veterans group, Mostly Men Club), Oakham Walking Group, Co-op Ladies Group, Uppingham Local History Society, The Trefoil Guild, and the Baptist Church Sunday School.
- The Charity continues to work cooperatively with Rutland County Council in order to ensure that our partnership arrangements work effectively.

THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 6 APRIL 2021

VALUE FOR MONEY STATEMENT 2020-21

The format of this year's statement reflects the publication in April 2018 of the Regulator of Social Housing's *Value for Money Standard for Registered Providers*.

Metrics specified by the regulator	Outcome 2020/21	Outcome 2019/20
Metric 1: Reinvestment %	1.5%	4.7%
Metric 2a: New Supply (Social Housing Units) %	NIL	NIL
Metric 2b: New Supply (Non-Social Housing Units) %	NIL	NIL
Metric 3: Gearing %	(2.19%)	(1.09%)
Metric 4: EBITDA (Major Repairs Included) Interest Cover %	1,456%	1,302%
Metric 5: Headline Social Housing Cost per Unit	£6,902	£7,297
Metric 6A: Operating Margin (social housing lettings only) %	(3.7%)	(12.6%)
Metric6B: Operating Margin (overall) %	8.9%	8.1%
Metric 7: Return on Capital Employed %	0.6%	0.4%

In the spring of 2020 the Charity joined SPBM, with the intention of utilising its benchmarking capabilities to provide meaningful comparators in future years. However, at the current time comparison can only be made with the VFM figures stated in the Annual Report of the previous year. Detailed throughout this report are a number of performance metrics that are currently of relevance to this Charity, and which combined help demonstrate the value being achieved year-on-year by St John & St Anne.

FINANCIAL REVIEW

In the year to 6 April 2021 the Charity's finances benefited from a positive outcome on net incoming resources, of some £70,000 (2020: £39,000) and from a gain on investment valuations of some £1,010,000 (2020: loss £444,000). As a result, balance sheet total funds have increased to some £11.5 million (2020: £10.5 million), within which cash and cash-equivalents comprise some £0.9 million (2020: £0.8 million).

THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 6 APRIL 2021

Investments and investment performance are dealt with in more detail below.

Much of the Charity's expenditure on operational properties is now accounted for as additions to fixed assets. These amounted to a little over £121,000 in the year (2020: £360,000). These costs and plans for future years are significantly affected by the Governors' strategic decision not simply to replace operational property assets on a like-for-like basis as and when they reach the end of their economically useful lives, but to focus on any available improvements better suited to the Charity's objective of providing accommodation suitable for residents to live independently for as long as possible. The Governors' approach to financing these costs and plans is dealt with further below in the paragraphs on Reserves and Reserves Policy.

FINANCIAL REVIEW (continued)

Investments and investment performance

The Charity holds investments on account of Permanent Endowment, Restricted and Designated Funds, the investments being spread over farmland, listed investments and cash.

The investment management objectives are that:

- the Charity should, over the long term, receive regular investment income sufficient to ensure that it can continue its charitable activities at least at their present level and with full attention to the need for maintenance and repair of operational properties;
- the Charity should maintain sufficient liquidity in its investment and cash assets to be confident at any one time of meeting its cash flow needs for the subsequent year;
- whilst pursuing these income and liquidity objectives, management of the Charity's investments should, so far as possible, maintain or enhance the value of the Charity's permanent endowment and other investments.

In pursuing the above objectives, the Charity maintains a direct investment in farmland; maintains assets in deposit-based and equity-based investments (managed by CCLA) in respect of Restricted and Designated Reserves; and has arranged for the permanent endowment listed investment portfolio to be managed on a discretionary basis by Smith & Williamson Investment Managers, within a framework of ethical investment criteria (adopted from those published for the Church of England) and a willingness to be exposed to a medium level of market risk.

In relation to the investment income objective and the portfolio managed by Smith & Williamson, the Governors set a target of £100,000 before fees for investment income in the year. Income received of £105,446 (2020: £123,451) exceeded this target. Together with farmland and other investment income, total investment income was £115,019 (2020: £136,018) before investment management costs of £23,081 (2020: £21,944).

In relation to the liquidity objective there was no call during the year to sell or re-allocate investments in order to make an extra contribution to liquidity needs.

As to the objective relating to capital values, at 6 April 2021 the balance sheet total for investments was £5,994,434 (2020: £4,972,075). The large majority of this value is in assets which are independently valued at the year end; for one category of investment – the farmland – the Governors' practice is to obtain a professional valuation every three years; such a valuation was obtained in 2019 and the Governors consider that it remains appropriate.

THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 6 APRIL 2021

Reserves and Reserves Policy

At the year end the total funds held by the Charity were some £11.56 million, made up of:

	£ million
Endowment funds	10.36
Restricted funds	0.38
Unrestricted designated funds	0.42
Unrestricted general funds	<u>0.40</u>
	<u>11.56</u>

FINANCIAL REVIEW (continued)

Reserves and Reserves Policy (continued)

The Endowment funds are the permanent capital of the Charity. On the asset side of the balance sheet, they are represented by:

- Operational properties held for the long term;
- Investments, the income from which is available to subsidise operating costs, but the capital value of which is not expendable except with the consent of the Charity Commission.

The Restricted funds are also not available for expenditure. Formally they represent a Recoupment Fund set up in two stages, firstly when the Charity expended capital towards the cost of the South Street, Oakham, flats in 1976, and secondly when capital was expended on the first development at Uppingham in 1980. In both cases, the Charity was required by the Charity Commission to set aside an annual sum of £602 over sixty years to recoup this capital. When that term expires, the capital of the recoupment fund will be added to the Permanent Endowment investments.

By contrast, Unrestricted funds are available for expenditure at Governors' discretion in pursuit of the Charity's purposes. Within this category there are two sub-categories – one where the Governors have 'designated' or earmarked funds for one or more particular future purposes, and General funds which have not been so ear-marked.

At the year end the Designated funds of £419,676 comprised an Extraordinary Repairs Reserve of £358,080 and a Cyclical Maintenance Reserve of £61,596.

The Extraordinary Repairs Reserve is used to enable major property expenditure to be planned over a 5-year timescale, having regard to any need for funding above the level of cashflow generated by almshouse operations and investment income. Based on this approach a transfer of £10,251 has been made in these accounts from the Extraordinary Repairs Reserve to the General Reserve (2020 £181,655), leaving a balance of £358,080 (2020 £368,331) which suffices, but is not excessive, having regard to current plans for the next 5 years.

A second designated reserve (for Cyclical Maintenance) is maintained to fund lesser, periodic, planned repairs and maintenance and is funded by an annual transfer from the income of the Charity. Expenditure in the year of £96,519 (2020 - £84,396) was less than the annual transfer of £102,286 (2020 - £99,012) and the balance therefore increased to £61,596 (2020 - £55,829).

THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 6 APRIL 2021

FINANCIAL REVIEW (continued)

Reserves and Reserves Policy (continued)

The General Unrestricted funds represent the accumulated balance to date of the income of the Charity after meeting all almshouse, management and other running costs and transfers to the Cyclical Maintenance and Extraordinary Repair reserves. In common with other charities, the Charity needs to maintain a balance on such General Reserves in order to ensure that, in the event of any abrupt or unforeseen worsening in the Charity's operating finances, the Charity can continue its activities for a sufficient period of time to be able to recover and/or find a new basis of financing its activities. The relevant annual cost for the Charity is now running at a level of approximately £0.6 million p.a. (total resources expended excluding depreciation which is not a 'cash cost'); the Unrestricted General Reserve at 6 April 2021 (£398,170) therefore suffices for some 8 months' operating 'cash costs'. The Governors consider that this is appropriate in current circumstances (see further below in relation to Covid-19).

Risk management

The Covid-19 pandemic presents the Charity with both direct and indirect risks; the Governors are taking as much care as possible to minimise the impact of these risks on the Charity's beneficiaries and in the Charity's finances. To date the efforts involved have been successful and Governors are grateful to the Clerk and other staff and to the residents for what they have done and continue to do. The Governors consider that the policy described above in respect of the financial General Reserve is adequate to meet the risks as currently assessed.

As to other risks, the Governors assess from time to time the major risks to which the Charity is exposed and are satisfied that systems are in place to mitigate exposure to these. These risks relate to:

- (i) providing and maintaining a safe and secure environment for our residents and for others who work at or visit the Charity's premises;
- (ii) providing and maintaining governance, financial and administrative arrangements to safeguard the Charity's assets, to promote its long-term health and to facilitate its operational activities.

The Charity's main strategy to address these risks is (i) to review from time to time the particular areas where such risks may be either most likely to arise or where their impact would be most serious and to devise and implement particular mitigation plans as appropriate in the

THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 6 APRIL 2021

light of such review; and (ii) at all times and on a continuous basis to keep under review, and to report to Governors, any work necessary to ensure that the Charity's properties provide a safe and secure environment.

In addition Governors are conscious that the scale and smooth running of the Charity's operations depends to a considerable extent upon governmental regimes, systems and services. Some aspects of the future of these are subject to significant uncertainty. Governors seek to minimise the risks to the Charity from such uncertainty by keeping abreast of relevant developments (in particular through The Almshouse Association) and by regular review, particularly at the time of annual budgeting.

Statement of Governors' responsibilities

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

The law applicable to charities in England and Wales requires the Governors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity for that year.

In preparing these accounts, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Governors are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the governing instruments. They are also responsible for

THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 6 APRIL 2021

safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Governors' report was approved by the Governing Body on 9 July 2021.

D Pattinson
Governor

J Orme
Governor

THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

INDEPENDENT AUDITOR'S REPORT

TO THE GOVERNORS OF THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

We have audited the financial statements of The Hospital of St John the Evangelist and of St Anne in Okeham for the year ended 6 April 2021, which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, 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 to the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the accounts:

- give a true and fair view of the state of the Charity's affairs as at 6 April 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with the United Kingdom Generally Accepted Accounting Practice; and

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 UK, including the FRC'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 Governors' 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 Governors with respect to going concern are described in

Other information

The Governors are responsible for the other information. The other information comprises the information included in the Governors' 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, except to the extent otherwise explicitly stated in our report, 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.

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the Governors' report; 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.

THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE GOVERNORS OF THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

Responsibilities of Governors

As explained more fully in the Governors' responsibilities statement set out on page 18, the Governors are responsible for the preparation of financial statements which give a true and fair view, and for such internal control as the Governors 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 Governors 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 Governors 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 regulations made under section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments;
- Assessing whether the judgements made in accounting estimates are indicative of a potential bias;
- Evaluating the rationale of any significant transactions that are unusual or outside the normal course of business;
- Analytical procedures are performed as well as substantive testing to identify any potential misstatement due to fraud; and
- The audit procedures would also involve being aware of any such items from reviewing minutes and third party communications and reports and discussions held with staff and management to obtain an understanding.

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 HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE GOVERNORS OF THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

Use of our report

This report is made solely to the Charity's Governors, 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 Governors those matters we are required to state to them in an auditors' 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 the Charity's Governors as a body, for our audit work, for this report, or for the opinions we have formed.

Stephenson Smart & Co

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**Chartered Accountants
Statutory Auditor**

36 Tyndall Court
Commerce Road
Lynchwood
Peterborough
Cambridgeshire
PE2 6LR

Stephenson Smart & Co is eligible to act as an auditor in terms of section 1212 of the Companies Act

THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 6 APRIL 2021

		Unrestrict funds	Restricted funds	Permanen endowme funds	Total 2021	Total 2020
	Notes	£	£	£	£	£
Income and endowments from:						
Charitable activities	3	656,179	-	-	656,179	660,795
Investments	4	115,019	-	-	115,019	136,018
Other income	5	3,550	22,500	-	26,050	3,073
Donations and legacies	6	-	-	-	-	5,240
Total income and endowments		774,748	22,500	-	797,248	805,126
Expenditure on:						
Charitable activities	7	550,485	-	153,4	703,954	744,259
Investment management	8	23,081	-	-	23,081	21,944
Total resources expended		573,566	-	153,4	727,035	766,203
Net incoming/(outgoing) resources before transfers and gains/ on investments		201,182	22,500	(153,469)	70,213	38,923
Net gains/(losses) on investments		-	74,236	935,891	1,010,127	(443,526)
Net incoming/(outgoing) resources before transfers		201,182	96,736	782,422	1,080,340	(404,603)
Gross transfers between		(83,680)	(21,898)	105,578	-	-
Net movement in funds		117,502	74,838	888,000	1,080,340	(404,603)
Fund balances at 7 April 2020		700,344	310,612	9,476,495	10,487,451	10,892,054
Fund balances at 6 April		817,846	385,450	10,364,495	11,567,791	10,487,451

THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

BALANCE SHEET

AS AT 6 APRIL 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	12	5,444,661		5,479,969	
Investments	13	5,994,434		4,972,075	
		11,439,095		10,452,044	
Current assets					
Debtors	15	53,876		20,786	
Cash at bank and in hand		406,446		307,501	
		460,322		328,287	
Creditors: amounts falling due within one year	16	(108,479)		(79,942)	
Net current assets		351,843		248,345	
Total assets less current liabilities		11,790,938		10,700,389	
Creditors: amounts falling due after more than one year	17	(223,147)		(212,938)	
Net assets		11,567,791		10,487,451	
Capital funds					
Unrestricted funds - general		398,170		276,184	
Unrestricted funds - designated	21	419,676		424,160	
Total unrestricted funds		817,846		700,344	
Endowment funds	22	10,364,495		9,476,495	
<i>Including revaluation reserve of £1,937,885 (2020:</i>					
Restricted funds	23	385,450		310,612	
<i>Including revaluation reserve of £273,761 (2020: £199,526)</i>					
		11,567,791		10,487,451	

The financial statements were approved by the Governing Body and authorised for issue on 9 July 2021 and are signed on its behalf by:

D Pattinson
Governor

J Orme
Governor

**THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE
IN OKEHAM**

BALANCE SHEET

AS AT 6 APRIL 2021

THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 6 APRIL 2021

	Notes	2021 £	£	2020 £	£
Cash flow from operating	(i)		142,522		70,625
Cash flow from investing activities					
Purchase of tangible fixed assets		(121,43		(360,273)	
Investment purchases and disposals	(ii)	3,057		344,08	
Interest income		595		3,612	
Investment income (net of investment management costs)		91,9			
		38		114,074	
Net cash flow from investing			(25,845)		101,500
Cash flow from financing activities					
Repayment of bank loans		(11,815)		(11,295)	
Drawdown of loan		25,00		-	
Interest paid		(15,628)		(16,526)	
Net cash flow from financing			(2,443)		(27,821)
Net increase in cash and cash			114,23		144,304
Cash and cash equivalents at beginning of			811,767		667,463
Cash and cash equivalents at end of year			926,001		811,767
Cash and cash equivalents					
Bank balances and short term deposits			406,446		307,501
Investment cash balances			519,555		504,266
Cash and cash equivalents at end of year			926,001		811,767

THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

NOTES TO THE STATEMENT OF CASHFLOWS

FOR THE YEAR ENDED 6 APRIL 2021

	Notes	2021 £	2020 £	
Note (i) - Reconciliation of net income/ (expenditure) to net cash flow from operating				
Net incoming/(outgoing) resources		70,213	38,923	
Adjustments for:				
Investment income recognised in statement of financial activities		(115,019)	(136,018)	
Investment management costs		23,081	21,944	
Depreciation and loss on disposal of tangible fixed	(iii)	156,743	172,654	
Interest payable		15,628	16,526	
Interest received		(595)	(3,612)	
Decrease/(Increase) in debtors		(33,090)	72	
(Decrease)/Increase in creditors		25,56	(40,514)	
Net cash flow from operating activities		<u>142,52</u>	<u>70,625</u>	
Note (ii) - Investment purchases and disposals				
Purchase of other investments		(698,625)	(537,469)	
Proceeds on disposal of other investments		701,682	881,556	
		<u>3,057</u>	<u>344,08</u>	
Note (iii) - Depreciation and impairment of tangible fixed assets				
Depreciation and impairment of tangible fixed assets		155,745	146,529	
Loss on disposal of tangible fixed assets		998	26,125	
		<u>156,743</u>	<u>172,654</u>	
Analysis of changes in net debt				
	Balance at 7 April 2020	Cash flows	Other non-cash movements	Balance at 6 April 2021
	£	£	£	£
Cash	307,50			406,44
Loans due within one year	(11,747)	(2,976)		(14,723)
Loans due after one year	(212,938)	(10,209)		(223,147)
	<u>82,8</u>	<u>85,760</u>		<u>168,5</u>

**THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE
IN OKEHAM**

NOTES TO THE STATEMENT OF CASHFLOWS

FOR THE YEAR ENDED 6 APRIL 2021

THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 6 APRIL 2021

1 Accounting policies

Charity information

The Hospital of St John the Evangelist and of St Anne in Okeham is a Registered Charity and Registered Social Housing Provider that is primarily an endowed Almshouse Charity.

1.1 Accounting convention

The Charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued on October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The Charity is a Registered Social Housing Provider. In accordance with the requirements of the Housing SORP, the Charity has applied the Charities SORP in the preparation of these financial statements. The accounts 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 Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has

The accounts are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared on the historical cost convention as modified by the revaluation of investments. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the accounts, the Governors have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Governors continue to adopt the going concern basis of accounting in preparing the

1.3 Charitable funds

Unrestricted funds

General funds

Unrestricted funds are available for use at the discretion of the Governors in furtherance of their charitable objectives unless the funds have been designated for other purposes.

THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 6 APRIL 2021

1 Accounting policies (continued)

1.3 Charitable funds (continued)

Unrestricted funds (continued)

Designated funds

The following unrestricted funds have been designated at the discretion of the Governors for specific purposes as follows:

Extraordinary repair fund

The extraordinary repair fund has been set up to fund large scale repairs, renovations and improvements which occur from time to time.

Cyclical maintenance fund

The cyclical maintenance fund has been set up to fund periodic, non annual, repairs and maintenance and is funded by an annual transfer based on The Almshouse Association guideline figures

Restricted fund

Recoupment fund

The Recoupment fund was set up in two stages, firstly when the Charity expended capital towards the cost of the South Street, Oakham flats in 1976, and secondly when capital was expended on the first development at Uppingham in 1980. In both cases, the Charity was required by the Charity Commission to set aside an annual sum over sixty years to recoup this capital. When that term expires, the balance on the Reserve will be transferred to the credit of Permanent Endowment and the assets held on account of the reserve transferred to Fixed

Office conversion project

This fund relates to Social Housing Grant awarded to facilitate the development and provision of Affordable Housing. The use of the grant is restricted to the delivery of affordable dwellings pursuant to Homes England's Shared Ownership Affordable Homes Programme 2016-2021.

Permanent endowment funds

Permanent endowment funds represent the capital of the Charity and are invested in operational properties (i.e. almshouse residential properties), farmland, listed investments and cash. This capital is not expendable but the income generated represents unrestricted income.

1.4 Incoming resources

Income is recognised when the Charity is legally entitled to it.

All residents' weekly maintenance contributions are recognised when due and investment income is recognised when receivable.

1.5 Resources expended

Expenditure is recognised when a legal or constructive obligation has fallen due.

All expenditure is accounted for on an accruals basis. All expenses including governance costs are allocated or apportioned to the applicable expenditure headings. Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 6 APRIL 2021

1 Accounting policies (continued)

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Freehold land and housing properties

Freehold land is not depreciated. Depreciation is charged so as to write down the cost of freehold housing properties to their estimated residual value on a straight line basis over their estimated useful economic lives at the following annual rates:

Main fabric of buildings	Over 100 years	Mechanical installations	Over 30 years
Roof	Over 70 years	Electrical installations	Over 40 years
Windows and external doors	Over 30 years	Lifts	Over 20 years
Gas boilers	Over 15 years	Kitchens	Over 20 years
Fire alarms and lifeline equipment	Over 20 years	Buggy store	Over 30 years
Bathrooms	Over 30 years	Access ramps/steps	Over 30 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities for the year.

Furnishings and equipment

Furnishings and equipment are stated at cost less accumulated depreciation. Depreciation is provided to write off the cost of assets over their expected economic useful lives on a straight line basis of either 10% or 25%.

Social Housing Grant

The Charity is currently redeveloping unused office space into an additional two bedroom flat.

Where developments have been financed wholly or partly by Social Housing Grant (SHG), the amounts of the grants received are recognised as incoming resources using the performance model. On the sale of a property, or if another relevant event takes place, SHG may become repayable, although it is normally available to be recycled and used for a new Social Housing project approved by the Homes & Communities Agency. The cumulative amount of Social

1.7 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is measured using the fair value model and stated at its fair value at the reporting end date. The surplus or deficit on revaluation is recognised in net incoming/(outgoing) resources for the year.

1.8 Impairment of fixed assets

At each reporting end date, the Governors review the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 6 APRIL 2021

1 Accounting policies (continued)

1.8 Impairment of fixed assets (continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/(expenditure) for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been

1.9 Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains/(losses) on investments' in the Statement of Financial Activities if the shares are publicly traded or their fair value can otherwise be measured reliably. Other

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, bank overdrafts and cash held as fixed asset investments. Bank overdrafts are shown within borrowings in current

1.11 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method and fixed asset investments which are recognised and subsequently measured in accordance with the

1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide

1.13 Value added tax

The Charity is unable to reclaim any Value Added Tax (VAT) it incurs on its expenditure. This irrecoverable tax is a cost to the Charity and consequently all figures within these financial statements are stated inclusive of any VAT incurred (unless stated otherwise).

1.14 Business combinations

Where acquisitions are in substance the gifting of control of a business to the Charity the combination is treated as a non-exchange transaction and the fair value of the gifted assets and liabilities in the transaction is recorded as a gain or loss in the statement of financial

**THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE
IN OKEHAM**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 6 APRIL 2021

THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 6 APRIL 2021

1 Accounting policies (continued)

1.15 Operating leases

Rentals applicable to operating leases where subsequently all of the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities.

1.16 Major repair costs

The Charity capitalises expenditure on housing properties which results in an enhancement of the economic benefit of the asset such as an increase in the net rental stream over the life of the property. An increase in the net rental stream may arise through an increase in net rental income, a reduction in future maintenance costs, or a significant extension of the useful life of the property.

Expenditure on works which does not meet this criteria is written off to the Statement of Financial Activities in the year in which it is incurred. This includes expenditure incurred to ensure that the property can maintain its existing level of net rental income or the standard of

2 Critical accounting estimates and judgements

In the application of the Charity's accounting policies, the Governors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the

3 Charitable activities

	2021	2020
	£	£
Provision of almshouses - residents' weekly maintenance contributions	656,179	660,795

4 Investments

	2021	2020
	£	£
Rental income	8,978	8,955
Income from listed investments	105,446	123,451
Interest receivable	595	3,612
	<u>115,019</u>	<u>136,018</u>

THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 6 APRIL 2021

5 Other income

	2021	2020
	£	£
Common room lets	-	1,050
Sundry site receipts	1,569	2,023
Grant received – Covid-19	1,981	-
Performance related grant	22,500	-
	<u>26,050</u>	<u>3,073</u>
Analysis by fund		
Unrestricted funds	3,550	3,073
Restricted funds	22,500	-
	<u>26,050</u>	<u>3,073</u>

6 Donations and legacies

	2021	2020
	£	£
Donations and gifts	-	5,240
	<u>-</u>	<u>5,240</u>

THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 6 APRIL 2021

7 Charitable activities

	2021 £	Provision of 2020 £
Staff costs	180,703	165,180
Depreciation and loss on disposal of fixed	156,743	172,654
Day to day maintenance	84,324	121,748
Cyclical maintenance	96,519	84,396
Utilities	31,685	28,886
Window cleaning and materials	1,893	1,470
Support worker expenses	540	529
Alertacall	15,094	16,848
Charitable benefit	35,036	39,199
Landscaping	23,969	23,969
Buildings and contents insurance	7,726	7,482
Management	35,185	46,685
Door entry system	11,343	11,340
Void properties	1,494	1,127
	<u>682,254</u>	<u>721,513</u>
Governance costs (see note 9)	21,700	22,746
	<u>703,954</u>	<u>744,259</u>
Analysis by fund		
Unrestricted funds	550,485	
Endowment funds	<u>153,469</u>	<u> </u>
	<u>703,954</u>	<u> </u>

8 Investment management costs

	2021 £	2020 £
Investment management	23,081	21,944
	<u>23,081</u>	<u>21,944</u>

THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 6 APRIL 2021

9 Support costs

	Governanc e costs £	2021 £	2020 £	Basis of allocation
Audit fees	6,072	6,072	6,220	100% charitable activities
Interest payable	15,628	15,628	16,526	100% charitable activities
	<u>21,700</u>	<u>21,700</u>	<u>22,746</u>	

10 Governors

None of the Governors (or any persons connected with them) received any remuneration from the Charity during the year. One Governor was reimbursed a total of £43 for travelling expenses (2020: £129).

THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 6 APRIL 2021

11 Employees

Number of employees

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

	2021 Number	2020 Number
Clerk	1	1
Administration Assistant	1	1
Property Services Manager	1	1
Finance Officer	1	1
Residents' Support Worker	1	1
Housekeeper	1	1
	<u>6</u>	<u>6</u>

Employment costs

	2021 £	2020 £
Wages and salaries	157,726	144,112
Social security costs	10,466	9,204
Other pension costs	12,511	11,8
	<u>180,703</u>	<u>165,180</u>

Remuneration of key management personnel

The remuneration of key management personnel is as follows:

	2021 £	2020 £
Remuneration benefits for the Clerk to the Charity	<u>52,095</u>	<u>46,388</u>

There were no employees whose annual remuneration was £60,000 or more.

THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 6 APRIL 2021

12 Tangible fixed assets

	Land and buildings	Fixture, fittings and equipment	Total
	£	£	£
Cost			
At 7 April 2020	7,589,443	64,449	7,653,892
Additions	118,799	2,636	121,435
Disposals	(15,918)	(896)	(16,814)
	<u>7,692,324</u>	<u>66,189</u>	<u>7,758,513</u>
At 6 April 2021	7,692,324	66,189	7,758,513
Depreciation and impairment			
At 7 April 2020	2,122,100	51,823	2,173,923
Depreciation charged in the year	152,471	3,274	155,745
Depreciation on disposals	(14,920)	(896)	(15,816)
	<u>2,259,651</u>	<u>54,201</u>	<u>2,313,852</u>
At 6 April 2021	2,259,651	54,201	2,313,852
Carrying amount			
At 6 April 2021	<u>5,432,673</u>	<u>11,988</u>	<u>5,444,661</u>
At 6 April 2020	<u>5,467,343</u>	<u>12,626</u>	<u>5,479,969</u>

THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 6 APRIL 2021

13 Fixed asset investments

	2021 £	2020 £
Listed investments	4,819,879	3,812,809
Farmland	655,000	655,000
Cash and cash equivalents:		
- Investment management deposit account	80,262	76,640
- COIF deposit account - Extraordinary repair fund	358,079	370,383
- COIF deposit account - Cyclical maintenance fund	81,214	57,243
	<u>5,994,434</u>	<u>4,972,075</u>

The farmland was valued in March 2019 by Richardson Chartered Surveyors an independent professional valuer. The Governors are of the opinion that this revaluation continues to reflect the fair value of the farmland at 6 April 2021.

The listed investments are valued at market value. The Governors consider variability of investment returns on the permanent endowment to constitute the Charity's major financial risk. This is mitigated by retaining expert investment managers and having a diversified investment

Movements in fixed asset investments

	Cash £	Shares £	Farmland £	Total £
Cost or valuation				
At 7 April 2020	504,266	3,812,809	655,000	4,972,075
Additions	15,289	698,6	-	713,914
Valuation changes	-	872,75	-	872,75
Disposals		(564,309)	-	(564,309)
	<u>519,555</u>	<u>4,819,879</u>	<u>655,000</u>	<u>5,994,434</u>
Carrying amount				
At 6 April 2021	<u>519,555</u>	<u>4,819,879</u>	<u>655,000</u>	<u>5,994,434</u>
At 6 April 2020	<u>504,266</u>	<u>3,812,809</u>	<u>655,000</u>	<u>4,972,075</u>

The gain on investment disposals during the year based on historic cost was £129,468 (2020: £333,984).

THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 6 APRIL 2021

14 Financial instruments	2021 £	2020 £
Carrying amount of financial assets		
Equity instruments measured at fair value less impairment	4,819,879	3,812,809
	<u>4,819,879</u>	<u>3,812,809</u>
Carrying amount of financial liabilities		
Loans measured at amortised cost	237,870	224,685
	<u>237,870</u>	<u>224,685</u>

Financial assets pledged as collateral

The loans are secured and some carry a variable rate of interest as described in note 18.

The interest payments on these loans are therefore susceptible to changes in interest rates. The Governors acknowledge these risks, though they also acknowledge that the financial impact of any increases in interest rates will be mitigated by corresponding increases in the performance of their fixed asset investments.

15 Debtors	2021 £	2020 £
Amounts falling due within one		
Other debtors	35,463	1,858
Prepayments and accrued income	18,413	18,928
	<u>53,876</u>	<u>20,786</u>

16 Creditors: amounts falling due within one year	Notes	2021 £	2020 £
Loans and overdrafts	18	14,723	11,747
Trade creditors		63,477	39,624
Other creditors		14,574	11,001
Accruals and deferred income		15,705	17,570
		<u>108,479</u>	<u>79,942</u>

17 Creditors: amounts falling due after more than	Notes	2021 £	2020 £
Loans and overdrafts	18	<u>223,147</u>	<u>212,938</u>

THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 6 APRIL 2021

18 Loans and overdrafts

	2021 £	2020 £
Long term housing loans	237,870	224,685
Payable within one year	14,723	11,747
Payable after one year	223,147	212,938
Amounts included above which fall due after five years:		
Payable by instalments	161,047	162,788

The long-term housing loans are secured by specific charges on the Charity's housing properties.

The Charity has loan facilities with the Norwich and Peterborough Building Society and Rutland

There are two loans with Rutland County Council. One is a fixed rate loan which is repayable at a rate of 12% per annum, the other has a fixed annual capital repayment with interest calculated at prevailing local government rates.

The remaining loan with the Norwich and Peterborough Building Society is repayable at a variable interest rate based on LIBOR plus a margin of 1.25%, subject to a minimum interest rate of 4.2%.

The two loans outstanding with Rutland County Council totalling £112,955 (2020: £114,273) are due to be fully repaid in 2048 and 2052 respectively. The loan of £99,915 (2020: £110,412)

During the current year a loan of £25,000 was received from The Almshouse Association. The loan is interest free and unsecured. The loan is repayable over 10 years and repaid in six monthly instalments.

19 Lease Commitments

	2021 £	2020 £
The future minimum operating lease payments are as follows:		
Within one year	15,000	15,000
Between one and two years	15,000	15,000
Between two and five years	25,000	40,000
	55,000	70,000

THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 6 APRIL 2021

20 Analysis of net assets between funds

	Unrestricted funds	Designated funds	Restricted funds	Endowment funds	Total
	£	£	£	£	£
Fund balances at 6 April 2021 are represented by:					
Tangible fixed assets	11,988	-	-	5,432,673	5,444,661
Investments	19,616	419,676	385,450	5,169,692	5,994,434
Current assets/(liabilities)	366,566	-	-	(14,723)	351,843
Creditors due after one year	-	-	-	(223,147)	(223,147)
	<u>398,170</u>	<u>419,676</u>	<u>385,450</u>	<u>10,364,495</u>	<u>11,567,791</u>

21 Designated funds

	Balance at 7 April 2020	Transfers	Balance at 6 April 2021
	£	£	£
Cyclical maintenance fund	55,829	5,767	61,596
Extraordinary repairs fund	368,331	(10,251)	358,080
	<u>424,160</u>	<u>(4,484)</u>	<u>419,676</u>

22 Endowment funds

	Balance at 7 April 2020	Depreciation and loss on disposal of land and	Transfers	Revaluation gains and losses	Balance at 6 April 2021
	£	£	£	£	£
Permanent endowment	<u>9,476,495</u>	<u>(153,469)</u>	<u>105,578</u>	<u>935,891</u>	<u>10,364,495</u>

Transfers from general funds of £83,078 include additions to land and buildings, a loan from The Almshouse Association and loan capital repaid during the year. Transfers from restricted funds of £22,500 include a capital grant.

**THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE
IN OKEHAM**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 6 APRIL 2021

THE HOSPITAL OF ST JOHN THE EVANGELIST AND OF ST ANNE IN OKEHAM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 6 APRIL 2021

23 Restricted funds

	Balance at 7 April 2020	Income	Increase in value of investmen	Transfers	Balance at 6 April 2021
	£	£	£	£	£
Recoupment fund	310,612	-	74,236	60	385,450
Office conversion project	-	22,500	-	(22,500)	-
	<u>310,612</u>	<u>22,500</u>	<u>74,236</u>	<u>(21,898)</u>	<u>385,450</u>

24 Related parties

The Clerk's Mother is a resident of the Charity. The application for, and terms of, her appointment were undertaken on an arms-length basis in accordance with the Charity's normal policies and procedures.

25 Capital commitments

Capital expenditure contracted for but not provided for in the financial statements amounts to £63,602. This is to be financed with internal cash funding together with a loan received from The Almshouse Association and a grant from Homes England.



STEPHENSON
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SIGNIFICANT MATTERS RELEVANT TO OUR AUDIT FOR THE YEAR ENDED 6 APRIL 2021

Audit approach

There were no changes to our audit approach as set out to you.

Summary of significant audit findings

Significant risk area identified at planning

Revenue recognition – a significant risk in any audit which cannot be rebutted. Income is tested to ensure that system controls are being adhered to and that revenue is recorded correctly within the financial statements.

Findings and recommendations

Each income stream within the financial statements was tested on an analytical review process. We assessed and tested the controls over material sources of income and over cash and debtors. Our audit did not highlight any material errors.

Management override – mandatory procedures are carried out to ensure that controls in place are not overridden by management.

Material journals posted during the year were reviewed for reasonableness and agreed to supporting documentation where appropriate. We reviewed estimates within the financial statements to ensure that the basis for them was reasonable.

Allocation of charitable expenses – Expenses tested for correct allocation to restricted and endowment funds, based upon the activity for which the fund is intended

Expenses checked throughout the audit work were reviewed to be allocated correctly to the restricted, endowment or unrestricted funds. Our audit work did not highlight any material errors.

Other key areas relevant to the audit

Findings and recommendations

Going Concern

The uncertainties surrounding the COVID-19 pandemic have been considered as part of our overall going concern assessment, including the impact on the current and future operations of the entity. We are aware that there has been minimal impact from the virus in the entity's charitable activities and financials and no government support has been required. The value of investment portfolio has also recovered this year after the fall in value to 6 April 2020 which was at the very beginning of the pandemic.

The financial statements have prepared on a going concern basis on the grounds that there has been very little impact on the financials of the charity. We will be reviewing any management accounts that have been prepared prior to the date that our report is signed and will have a further discussion with management at this time.

SIGNIFICANT MATTERS RELEVANT TO OUR AUDIT FOR THE YEAR ENDED 6 APRIL 2021

Internal controls

The purpose of the audit was for us to express an opinion on the financial statements. The audit included consideration of internal controls relevant to the preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control. Our audit is, therefore, not designed to identify all control weaknesses. We have tested the systems of internal control to the extent that we intended to place reliance on them in forming our audit opinion and are pleased to report that overall we found that they were operating effectively.

Accounting Policies

FRS 102 requires that entities should review their accounting policies regularly to ensure that they are appropriate to its particular circumstances for the purposes of giving a true and fair view.

We have reviewed the charity's accounting policies and key judgement areas as stated in the financial statements and confirm that we judge them to be appropriate to provide relevant, reliable, comparable and understandable information.

Accounting Estimates

Key accounting estimates in the financial statements concern housing property depreciation rates, the level of bad and doubtful debt provision and impairment provisions. We confirm that estimates have been made appropriately in line with our knowledge of the charity, and are disclosed satisfactorily in the financial statements.

Summary of audit differences and draft letter of representation

Attached is a schedule of all of the adjusted and unadjusted misstatements noted during our work (except those that are trivial). We would be grateful if you could review these and confirm that you are satisfied that none of the unadjusted misstatements need to be adjusted for in the financial statements.

We have also attached a letter of management representations required in connection with our audit. We obtain written representation from management in accordance with ISA 580.

Outstanding matters

Prior to issuing our audit report we will require:

- the signed letter of representation;

Anticipated audit report

We anticipate that we will issue an unqualified audit report for the year, subject to the satisfactory clearance of any outstanding/unresolved the matters outlined in this report.

Statement of Financial Activities

	2021 £	2020 £	
Incoming resources	797,248	805,126	Income has decreased overall this year. Rental income has remained consistent, however there has been a slightly higher value of voids between lets due to COVID-19 and the difficulties arising from that. The main reduction in income is due to dividends from investments. The value of investments has recovered at the end of the year, however due to COVID-19 throughout the period, income has been affected.
Resources expended	(727,035)	(766,203)	Expenditure has decreased by £39k compared to last year. There was a larger loss on disposal of fixed assets last year from the result of component accounting on the replacement of roofs at Taylor House and William Dolby House. There have been no similar major disposals of assets in the current year. There were also increased costs last year for the upgrading of flooring at St Anne Close also expended to P&L.
Net gains/(losses) on investments	1,010,127	(443,526)	Significant unrealised profits at 6 April 2021 have on the whole related to the performance of portfolio investments. As Covid-19 pandemic hit the UK in March 2020, the value of stocks and shares reduced significantly due to the uncertainty surrounding any global financial crisis, during the current year the value of investments have recovered as the pandemic is becoming under control and there is more certainty in the financial markets.
Net movement in funds	1,080,340	(404,603)	The main variation in net movement in funds from last year is due to the increase in value of shares held by the charity in its share portfolio.

OVERVIEW OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 6 APRIL 2021

Balance Sheet

	2021 £	2020 £	
Tangible Fixed Assets	5,444,661	5,479,969	£60k of property additions relating to the cost to reconfigure the old office space at William Dolby House into a new 2 bed flat for rental. The works are not complete at the year end and a capital commitment has been disclosed for the remainder of the works. The remaining balance of additions mainly for boilers, kitchens and new window actuator systems at various properties.
Investments	5,994,434	4,972,075	Investments have recovered well during the financial year after the significant fall in value at the end of last year due at the beginning of the COVID-19 pandemic. (unrealised profit).
Current Assets	460,322	328,287	Current assets comprise debtors and cash. Due to repair work at various properties being delayed due to the pandemic, cash reserves have increased by £100k. Debtors have increased this year to include £22.5k due from Homes England grant regarding the work to reconfigure the old office space into a flat.
Creditors : amounts falling due within one year	(108,479)	(79,942)	Current creditors have increased this year due to a large invoice for the office reconfiguration works being due at the year end.
Creditors : amounts falling due after more than one year	(223,147)	(212,938)	Long term liabilities relate to the loans in place for the purchase of the properties. During the current year, an additional loan of £25k was received from Almshouse Association to assist with financing of the office reconfiguration.
Funds	11,567,791	10,487,451	