



# the Charterhouse

Formally known as Sutton's Hospital in Charterhouse



## Report and Accounts

Period ended 31st March 2022

*Living the nation's history since 1348*



# Chairman's Foreword

*Major General Andrew Ritchie CBE, Chairman of the Charterhouse*

I write this report having recently celebrated the 650th anniversary of the building of the Carthusian monastery on the site we still occupy today. The monastery marked the beginning of our story and the Charterhouse of today was founded by Thomas Sutton in 1611 with the establishment of an almshouse and a school. The school moved to Godalming in 1872 but the almshouse and the School continue to enjoy a close relationship as co-beneficiaries of Thomas Sutton's magnificent legacy.

Thomas Sutton's tomb illustrates the transient nature of life. The governors see themselves as transitory custodians of our founder's wishes, to protect, conserve and develop the institution in the best interests of present and future beneficiaries. The charity has faced many challenges

over the last 400 years and has adapted to changed circumstances with equanimity to survive and to prosper. The underlying theme is one of continuity and is of paramount importance to all who work in and for the Charterhouse.

The most recent challenges relate to the COVID-19 pandemic. The Charterhouse lost a number of Brothers (residents) to the virus and the successive lockdowns were demanding and stressful for Brothers and staff alike. The charity also lost a significant income stream during this period, particularly from our trading arm, Carthusia. Despite these hardships the stoicism of the Brothers together with the loyal support of the staff have been an inspiration to the entire Charterhouse community. It has been immensely reassuring to return to near-normality in 2022.



Major General Andrew Ritchie CBE

Ann Kenrick stood down on 31st March after five years as Master of the Charterhouse. A number of important programmes were completed during her tenure, notably the 'Revealing the Charterhouse' project which facilitated a growth in income and the refurbishment of the Great Chamber. Her leadership of the community throughout the pandemic will be a lasting legacy.

Her successor as 34th Master of the Charterhouse is Peter Aiers, previously CEO of the Churches Conservation Trust. He brings with him significant experience in managing a national charity and of conservation and community development. We welcome him and his family and are confident that under his stewardship the Charterhouse will continue to thrive.



Ann Kenrick tree planting ceremony

**Report of the Governors**

**Royal Governors:** Her Majesty The Queen  
His Royal Highness The Prince of Wales KG KT GCB OM AK QSO ADC AC GCL CC CMM

**Archiepiscopal Governor:** The Most Reverend and Right Honourable Justin Welby MA BA DipMin  
Lord Archbishop of Canterbury

**Governors**

Major General Andrew Ritchie CBE (Chair)

Caroline Abrahams CBE

Sufina Ahmad MBE

Baroness Andrews of Southover OBE MA DPhil DLaws

Caroline Cassels LVO RGN DMS

Bernadette Cunningham MBA

David Farnsworth

Dr Michael Harding MBBS MRCS LRCP DRCOG

Peter Hodgson CBE FCA DL

Simon Kitching FRICS

Flora Lyon

Kate McLeod MSc

Rebecca Munns

William Naunton

Caroline Rolfe CPFA

Wilf Weeks OBE

The responsibility for the management of the Charterhouse is vested in its Charity Trustees, who are the Governors. The Royal Governors and the Archiepiscopal Governor have no management responsibilities and are not Charity Trustees. Each Governor takes a specific interest in the individual welfare of up to three Brothers.

New Governors are appointed by the body of the existing Governors, known as the Assembly, based on their professional experience and their expected contribution towards the furtherance of the objectives of the Charity.

**Patrons**

The Duke of Norfolk DL

The Bishop of London, the Rt Revd and Rt Hon Dame Sarah Mullally DBE

Michael Cassidy CBE

The Most Honourable The Marquess of Salisbury KCVO PC DL

# The History

## Living the nation's history since 1348

Over its long history, the Charterhouse has witnessed many of the events that have shaped our nation. The story begins in 1348 during the Black Death, when the land was used as a burial ground for victims of plague. In 1371 a Carthusian monastery was built on the site which flourished with a Prior and 24 monks accommodated in two-storey houses arranged around a characteristically large cloister garth, and the church built alongside the burial ground became the priory church.



Thomas Sutton's Monument

In 1535, the monks refused to align themselves with Henry VIII's Act of Supremacy and some were executed at Tyburn in a most brutal way. The monastery was suppressed in 1538 and passed to the Crown. Subsequently it was granted to Sir Edward North, who constructed a fine Tudor mansion which was later sold in 1564 to the fourth Duke of Norfolk, who further embellished it. Elizabeth I convened the Privy Council in the Great Chamber in the days before her coronation in 1558

and James I used the Great Chamber to create 130 new Barons before he was crowned. Today this glorious Chamber is available for private hire.

In 1611 Thomas Sutton bought the Charterhouse and established the foundation that now bears his name. Sutton was said to be the wealthiest commoner in England. He had held the post of Master of the Ordnance in the Northern Parts from 1568 to 1594 and his involvement in the

**In 1611 Thomas Sutton bought the Charterhouse and established the foundation that now bears his name.**

coal trade, advantageous property dealings and money lending had allowed him to amass a considerable fortune. Thomas Sutton's will provided for up to 80 'either decrepit or old captaynes either at sea or at land, maimed or disabled soldiers, merchants fallen on hard times, those ruined by shipwreck or other calamity' and 40 poor scholars. James I became the first Royal Governor and two Royal Governors now serve the charity as well as our 15 other Governors. Wellington, Gladstone and Cromwell have all been Governors.



The annual Thomas Sutton lecture, delivered by Philip Mould OBE

# The Charterhouse Today

## Our objectives

**The charity's objectives continue to be the provision of accommodation and care for the Brothers and financial support to Charterhouse School.**

The Governors are also aware of their responsibilities to maintain the Grade One Listed historic buildings in which the charity operates. The specific steps that the Governors propose to take to implement their strategy can be summarised as follows:

- to continue to promote all aspects of the welfare of the Brothers;
- to continue to maintain the highest standards of care in the Infirmary;
- to continue to provide income to support Charterhouse School;
- to increase public access to the Charterhouse.

It is within this framework that the Governors' current plans are:

- to implement financial and property strategies that permit the charity to undertake its stated objectives;
- to continue to implement the repair and maintenance programme for the buildings and to work with appropriate agencies to preserve and where possible enhance the unique heritage legacy;
- to increase gradually, the number of Brothers to a target of 50.

## Almshouse

The Charterhouse is home to a community of Brothers (a traditional term acknowledging the Charterhouse's monastic past) who benefit from the charity established by Thomas Sutton in 1611. What marks it out from the over 2000 almshouses in England is that the Brothers live as a community. They live independently in private flats, while being part of a community which offers companionship and support, eating together in the historic 16th century Great Hall, getting involved in social activities, and volunteering in the gardens or leading tours. In the last four years the composition has broadened significantly with the welcoming of a more diverse range of individuals, and women now make up over 10% of the community. At the same time the common denominator remains that they all in their own way have made a significant contribution to society in a wide variety of working lives including as teachers, lieder

singers, actors, clergy, archivists, journalists, lawyers and artists.

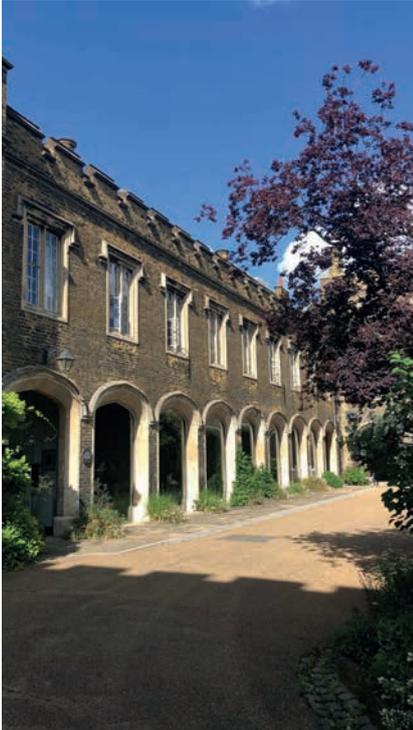
The main criteria for entry are for applicants to be in financial, housing and social need and to wish to contribute to the community. They also need to have the right to live in the UK, be single, over 60, able to live independently, have enjoyed good physical and mental health for at least two years and have no significant debts. Demand for places has grown over the last year but we welcome applications from a diverse range of candidates.

## Brothers

At the beginning of the year there were 40 Brothers living at the Charterhouse. Sadly, in the year we lost Brother Eric Lindsay, Brother John Cooper, Brother Peter Watkins, Brother Dudley Green and Brother Christopher de Lazlo. The losses are hard to take but, post Covid, the community is settling back into its normal routine of having lots of activities including Dancercise



Brothers enjoying the Norfolk garden



The Infirmary

The home has continued to have fantastic support from the local GP surgery, The Neaman Practice, and from other health professionals who have enabled Brothers and residents to receive excellent care.

All the Brothers, residents and staff have received their Covid vaccination and boosters and we look forward to the vaccination clinic arranging to revisit us in the autumn for the next booster.

There are currently three Brothers living in the infirmary - who are joined by five private residents all of whom have been living in the home for over two years.

We have two special centenarian residents who are 100; Mr. Frederick Wilkinson, and 102-years young Miss Molly Price Smith, both of whom are

so pleased to have received birthday greetings from Her Majesty recently.

### Chapel

The Chapel continues to play a major part in the life of the Charterhouse. The daily round of Morning and Evening Prayer has remained unbroken, ably assisted by Brothers on the Preacher's days off. We had hoped that our Christmas Carol Concert and Carol Service could go ahead without restrictions, sadly Covid again prevented this. With the exception of the Pegasus Choir and some celebrity readers we had to go ahead online. In September, it was a joy that Brother Richard Franklin was received into the Church of England by Bishop Sarah, Bishop of London. The blessing of two civil marriages also took place during the course of the year.

- led by Patrick Wood who is a professional ballet dancer - Chess, and poetry groups, in addition to attending various music concerts at nearby St Barts the Great Chapel. Brothers and members of the public can also join in the quiet hour in the Charterhouse's own Chapel on Wednesday lunchtimes, morning prayer and evening prayer, which are held every day with a Eucharist on Sundays.

We are delighted that we have had three new Brothers move in - Wendy Nottingham, Duncan Ross and Laurie Graham - and we are actively looking for new Brothers to join the community.

### Infirmary

Fortunately, things are getting back to normal following the pandemic and family members and friends can start visiting their loved ones within the Queen Elizabeth II care home.



Brother Richard Franklin being received into the Church of England

## The Charterhouse Today *continued*

Sadly, there have been a number of funerals of both Brothers and Infirmary residents. In September, we were able to go to our graveyard at Little Hallingbury to inter the ashes of Brothers who had died the previous year. It was good to meet the parishioners and to share a service and lunch with them. There was a moving Remembrance Service, attended by staff and Brothers. A well-attended, in person, Lent Course was offered this year followed by the Holy Week and Easter Liturgies, with some new additions.

The commemoration of the Carthusian Martyrs on May 4th 2021 was an inhouse ceremony only, because of Covid we were not able to invite our ecumenical friends. At a special Choral Evensong on June 1st, the painting of the Visitation of the Blessed Virgin Mary to Elizabeth, by Luca Giordano, was restored to the Chapel in the presence of the Lord Mayor of London and the Bishop of London.

It was good, later in the year, to be able to welcome the public to



Blindaid sensory tour in the Charterhouse gardens



Christmas Fair in the Great Chamber

worship with us again. Over the summer the organ was completely dismantled, cleaned and refurbished. It was lovely to have it back in order to be played in the autumn. In late autumn, Quiet Hour was reintroduced offering people from outside the community the chance to reflect in the quiet of the Chapel every Wednesday between 1 and 2pm. With many offices locally still not back up to full capacity, the uptake has been slow.

The Chapel is a wonderful venue for musical concerts and we have been able to host a couple of concerts, with more coming this year. Cora Chamber Choir sang choral Evensong which was delightful. We look forward in the coming year to having more music in the Chapel and to be able to provide Quiet Days and opportunities for reflection and restoration.

### Development

Ensuring that the Charterhouse's unique historic buildings can continue to provide a comfortable home for our community of Brothers, requires ongoing and sustained fundraising and development work. While Thomas Sutton's original

legacy supports the charitable objects in caring for our Brothers, the fact that the Charterhouse still occupies buildings that Thomas Sutton would recognise more than four hundred years later, means that our wonderful home requires considerable financial outlay. A second Arts Council England Cultural Recovery Fund grant received in April 2021 enabled the Charterhouse to invest in its commercial venue hire business, to build resilience and focus on independent income generation. Further successful ongoing funding has been received from the Portal Trust to support our formal learning programme, and the Charterhouse has continued to work with the National Lottery Heritage Fund on the completion of works relating to the refurbishment of the Great Chamber. The historic rooms have been further embellished with the return of the 17th century Flemish tapestries following sensitive conservation funded by the Lottery. The tapestries were purchased in 1615 by the first governors of the Charterhouse. And our Friends scheme continues to be vital, not only in terms of the income received through subscriptions, but also through the ongoing engagement of such a committed group of



Charterhouse Square

supporters. In early 2022, an extensive buildings inspection was carried out across the Charterhouse site. Over £5m will be required to ensure that our buildings remain fit for purpose as a home to our community. It is an ambitious target, which will inform our fundraising and development strategy for future years.

### Property Portfolio

The charity's investment property income is derived from a mixed-use portfolio made up of residential and commercial premises, comprising a total of 16 commercial and 19 residential properties. The majority of the properties are located either in or around the Charterhouse including the garden square itself, whilst some of the portfolio is slightly further afield in Kingston-upon-Thames, Colchester, Liverpool and Leeds.

The tenure mix of the portfolio is a combination of freehold and long leasehold and subject to a range of lease and tenancy agreements together with some long dated (geared ground rent) income which helps spread risk and protect security of income across the portfolio.

Looking back over the past year and with relatively low exposure to retail and leisure properties, the portfolio has performed reasonably well. Positives include the refurbishment and re-letting of three flats, re-letting of a retail warehouse in Liverpool and positive rent reviews of office premises. Negatives include retail and leisure occupiers not meeting their rental obligations as a result of the pandemic and the loss of some commercial tenants at 13/14 Charterhouse Square. However this presents us with the opportunity to reposition the accommodation and to assist us with lease renewal

negotiations. We continue to actively manage the portfolio and follow Government guidance on working out of lockdown as some form of normality returns to the property market.

### Community Engagement

The Charterhouse Engagement Programme continued to adapt and develop for our changing times. Our learning programme, with vital ongoing support from the Portal Trust, has continued to work with local schools in the delivery of formal programmes related to Key Stages of the National Curriculum. Our informal activities and public programme have brought in audiences for family workshops, lectures, and an expanded on-line offer that is particularly valuable for our most isolated community members beyond the Charterhouse walls. Focussing in particular on older people to reflect the Charterhouse's own community, activities include Connecting Communities Coffee Clubs, Charterhouse Lives (a behind the scenes glimpse at life here) and Creative Writing Workshops inspired by the stories of the Charterhouse.



An actor playing Queen Elizabeth I teaching in our learning programme

# The Charterhouse Today *continued*

We are also welcoming communities back to the Charterhouse site, with the launch of our Sensory Garden Tours (including poetry), Creative Writing Workshops in the gardens, the Book Conservation Project with Impact Heritage (around the Bibles, prayer books, photo albums and other gems in the Charterhouse Treasury). Plans for our outdoor Charterhouse Square Great Chamber exhibition & soundscape are also underway.

## Event activity

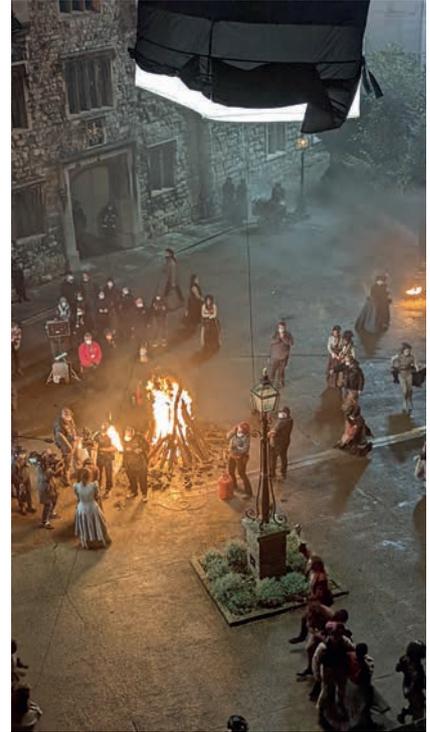
Following a challenging 2020/2021, the commercial arm of the Charterhouse's trading activities relaunched in the autumn of 2021, welcoming visitors once again to the site both to experience our heritage offer and to enjoy our venue. Financial support through the Arts Council England's Cultural Recovery Funding enabled the Charterhouse to commission external consultants, who conducted a targeted review of commercial operations and made recommendations for strategic growth. As a result, our museum retail offer is being reviewed to maximise sales and profitability. Our venue hire

offer, identified as having major income generation potential, has been refined and restructured to ensure that it is best placed to grow and diversify income streams – focussing particularly on higher end, higher profit hires including work with film location companies and corporate clients. Highlights of the past year include work with Netflix and London Fashion week.

## Charterhouse School

In 1872 the School moved out of London but the association between the School and the London Charterhouse has continued to this day with representative 'observers' sitting on each Governing Board. The annual provision of financial support to Charterhouse School is delivered based on an agreed historical calculation and is used to provide bursaries to pupils in need.

The School and the Charterhouse in London enjoy a close relationship, with the Charterhouse hosting an annual Founder's Day service and dinner for the School alumni to commemorate Thomas Sutton. Pupils come to the



Filming in the Entrance Court

Charterhouse for educational visits. The charity has also benefited from generous donations from former pupils (Old Carthusians). The School has welcomed girls in the sixth form for decades and has recently become fully co-educational, mirroring the almshouse which has welcomed women residents since 2017.

## Staff

The Charterhouse employs around 50 permanent staff and up to 25 'bank' staff, who support permanent staff across most departments when the need arises. Due to the nature of our activities, we employ people with experience in their specific sectors, including Healthcare, Estates Management, Catering, Museums and Hospitality, in addition to regular office and management functions. Key management personnel are listed on page 39.



Brothers visit to Charterhouse School

# Highlights of the Year

## Reopening of the Charterhouse

After a challenging year and 438 days of closure, the museum finally opened to our visitors and our tour programme restarted on 1st June 2021. After a cautious opening during the summer, our tours - particularly the House and Garden tours - proved very popular amongst our visitors and two Open Gardens events were held with a pop up bar and barbecue as well as music from the Guildhall and Trinity Laban, raising thousands of pounds for the charity.

Last winter, the museum team introduced brand new evening candlelit tours which sold out within a few days and these will be returning to the tour programme this coming autumn. Over the spring, with thanks to the National Lottery Heritage Fund (NLHF), a brand new Historic Interiors tour was developed which focused on the art and architecture of the building, including our recently

conserved Flemish tapestry collection. This year also saw the return of our Group Tours whereby we expanded our offer to include homemade refreshments from our kitchen team which have proved popular so far.

In January 2022, our Learning Programme restarted and hundreds of school children have been welcomed back to the site. The team has refreshed and streamlined the schools offer, created films, a Special Educational Needs visual story, downloadable activity sheets and developed two brand new school sessions, supported by the NLHF, with a focus on the portraits in the newly refurbished Great Chamber. Alongside our usual family tours, to celebrate The Queen's Platinum Jubilee, two family events were held, led by a costumed interpreter from Spectrum Drama which delighted both the children and parents alike.

The pandemic brought about many financial challenges for the Charterhouse and so we were delighted to receive funding from the Portal Trust for the continuation of the learning programme for another year. The museum team also worked in collaboration with Impact Heritage to raise further funds from the NLHF and Arts Council England to conserve our collection of fifty historic bibles dating back to 1549. Our online monthly lecture series has continued to be well received, with eminent speakers such as Tracy Borman, Philip Mould and Professor Julian Luxford providing popular evening entertainment for our visitors as well as generating vital income for the charity.

With such a hive of activity, this has brought back our wonderful team of volunteers, facilitators and tour guides who bring the magic of the Charterhouse to life for our visitors and to whom we are most grateful and we recognise their continued enthusiasm and support.



Laura and Gabby in the Visitor's centre

## Kitchen Refurbishment

One of the primary objectives for the Estates team in the year 2021 was the successful delivery of a complete kitchen refurbishment project, including the air extract and supply systems as well as walk-in fridge freezer facilities and a runner station. Not a small task in any circumstance especially on a fully operational site occupied by Brothers and used by staff as well as by visitors and as a space for events, the project was entrusted to be delivered by the Head of Estates.

Rigorous scrutiny in the process of tendering and negotiations resulted in significant savings for the charity, reducing significantly the initial estimates for the project. And a fresh approach in planning and design

## Highlights of the Year *continued*

ensured a best possible-results-solution that is practical, safe and efficient - a state of the art kitchen to serve the charity for many years to come.

The works started in the first week of July with the decanting stage and the provisioning of temporary cooking facilities for the catering team. Works continued over the next few weeks, with various stages of construction and installation. Works were concluded ten weeks later following the full commissioning, and handover of the completed works to the Estates and Kitchen teams.

This was a fantastic foundation for Mauricio Gaviria who took over the role as the Charterhouse's Head Chef in the autumn. The formal opening ceremony was held on 1st October when the Preacher blessed the new kitchen, and with Brothers, Governors

and the Senior Management Team congratulating the Head of Estates and recently appointed Head Chef for their achievements.

### Loan of the Sutton paintings

Paintings by some of the most prominent names in British portraiture now adorn the public spaces of the Charterhouse, following a generous loan of 28 works from Sir Richard Sutton Limited. Links with our own Thomas Sutton, founder of the charity that continues today, are yet to be confirmed although both Suttons originate in 16th century Lincolnshire. The portraits that are now on display within the Charterhouse tell a story of successful marriages, familial alliance, land ownership and art connoisseurship. As the Sutton family grew in prominence from the 16th century onwards, successive family members commissioned



Selection of the Sutton Paintings

portraits by the finest artists of the day. Works on display from the Sutton collection include portraits by Sir Godfrey Kneller, Pompeo Batoni, Sir Joshua Reynolds, Sir Thomas Lawrence, Sir Thomas Gainsborough, Sir Francis Grant, and Edmond Brock. Alongside these works are still lives, marine views, landscapes, and equestrian portraits, which together paint a picture of a family with fine tastes and a collector's eye.

For the Charterhouse, the paintings have enhanced significantly the public areas and in particular the main entrance and Old Library. The new hanging schemes give a greater sense of the Charterhouse as a private home and they provide an impressive backdrop for venue hire – an increasingly important source of charitable income. The paintings are also included in our specialist guided tours, giving visitors an historical journey through British art.



Preparing the menu in the newly refurbished kitchens

## Highlights of the Year *continued*



Organist, Brother Graham Matthews

### Organ refurbishment

Back in 1841, J.W. Walker & Sons Ltd, Pipe Organ Builders and Tuners By Appointment to Her Majesty The Queen Elizabeth II, built and installed the organ in the Charterhouse Chapel. It was fully refurbished in 2004, with the work entrusted to Bernie Whitmill who has subsequently come to the Charterhouse to tune the instrument every quarter since. He also advises the Charterhouse as to its condition.

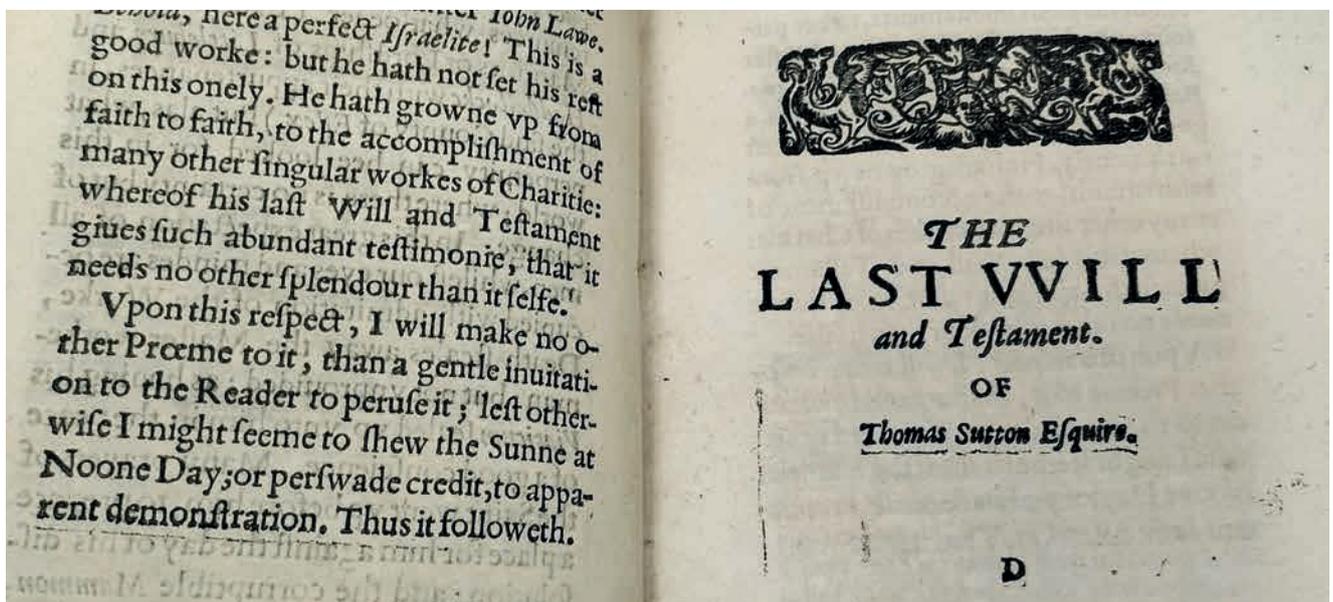
By 2021, with the poor London atmosphere being as it is, Bernie Whitmill, along with the organist, Brother Graham Matthews, recommended a comprehensive full clean and renovation. This privately funded work commenced in June 2021 and was substantially completed in October. Adjustments have been made since then as necessary with regular tunings continuing, always under the careful attention of Bernie Whitmill.

Brother Graham Matthews was formally appointed organist in 2005 and continues to practice the organ daily and play for Sunday services and other events as and when they occur.

### Last Will and Testament of Thomas Sutton

This first edition, second issue of "The last Will and Testament of Thomas Sutton (1614)" was recently acquired through a generous anonymous donation.

Printed by Thomas Thorp (a publisher who also printed Shakespeare's sonnets at roughly the same time), the pamphlet is rare, not only due to its age, but also that it allows us to glimpse first-hand the early formation of Sutton's 'Intended Hospitall, Chappell, and Schoolehouse', into the site that you see at the Charterhouse today. The pamphlet is due to go on display, temporarily at first in Chapel Cloister, followed by a more permanent location in the Thomas Sutton section of the museum.



The last Will and Testament of Thomas Sutton (1614)

# Structure, Governance and Management



## Charity Constitution

The charity was incorporated by Letters Patent on 22nd June 1611 under the name of “The Hospital of King James founded in Charterhouse” and was confirmed by Act of Parliament in 1628. The latest Order in Parliament relating to its affairs is The Charities (Sutton’s Hospital in Charterhouse) Order 1983 (1983 No 588). On 8th December 2009, the Charity Commission sealed a new Scheme to regulate the affairs of the charity (“the 2009 Scheme”). The Commission advised the Governors that Parliamentary approval for the 2009 Scheme is not required.

Carthusia Ltd is a wholly owned subsidiary of the Hospital Fund which conducts all non-primary purpose trading activities for the Charterhouse. It operates on an arms-length basis from the charity and has a separate board of directors. The share capital of £1 is wholly owned by the Hospital Fund. All profit before

tax is Gift-Aided to the Hospital. The accounts of the company for 2022 and 2021 are consolidated within those of the charity.

The financial year end date for both the Charity and Carthusia has changed to 31st March from 25th March.

In order to discharge their functions effectively, the Governors delegate certain aspects of the management of the charity to the committees of the Assembly. The terms of reference of each of these committees were reviewed and approved by the Assembly in the current year. Trustees are required to disclose all relevant interests and register them with the Clerk to the Governors and in accordance with the Trust’s policy withdraw from decisions where a conflict of interest arises.



Installation of the new Master, Peter Aiers, with Brothers Michele Wade, Hilary Haydon and Duncan Ross

# Structure, Governance and Management *continued*

## Statement of the Governors' Financial Responsibilities

The Governors, as Trustees, are responsible for preparing the Annual Report and the financial statements, in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Governors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the group and the charity and of the incoming resources and application of resources of the group for that period. In preparing these financial statements, the Governors are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities Statement of Recommended Practice;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Governors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial



Governors in the Great Chamber

statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the 2009 Scheme. They are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### Public Benefit

The Governors confirm that they have had regard to the Charity Commission's published guidance on public benefit and have taken this into account in connection with the charity's activities. The benefits of the charity's activities and achievements and their relationship with its objects are described above. It is not considered that those activities give rise to any detriment or harm. In setting the policy for admission of Brothers, the Governors seek to ensure that the opportunity to benefit is extended to those in greatest need of the assistance the charity can provide, at the same time maintaining a balanced and harmonious community. It is not considered that

the activities of the charity give rise to any private benefits other than those which are incidental to the carrying out of the objects.

### Sustainability

The Charterhouse is committed to being environmentally responsible in the way it is run. The key components of the policy are addressing climate change, reducing waste and encouraging biodiversity. The evaluation and operation of the policy and associated procedures is monitored and reviewed by the Senior Management Team, with overview by the Governors, to ensure that they remain effective and appropriate to the activities of the Charterhouse.

# Structure, Governance and Management *continued*

## Internal Control and Risk Management

The Charterhouse operates within a control framework appropriate for its size and seeks to ensure that risks are identified, quantified and managed appropriately. There is a comprehensive risk register which is reviewed by the Governors annually. The Charterhouse has also established a number of committees which meet at least twice a year to focus specifically on all sectors in which the Charterhouse operates. The principal risks faced by the Charterhouse are shown below.

**Strategic Risk** Each year the Charterhouse writes a five-year business plan, as well as preparing rolling forecasts for the year ahead. As part of this process a review is undertaken of long-term trends to assess options for continued and ongoing viability of the Charterhouse operations.

**Property Risk** The principal property risk is the loss of income. A full review of tenants and sectors is undertaken annually to ensure a well-diversified tenant base and staggered lease expiries and to assess the target of improving the covenant strength and diversification across the Charterhouse portfolio.

**Financial Portfolio Risk** The Charterhouse uses independent investment managers to manage the financial portfolio on a day-to-day basis. The portfolio is reviewed regularly during the year to ensure that it remains in line with the risk and return objectives set by the Charterhouse.

**Liquidity Risk** The Charterhouse seeks to maintain liquidity within its financial portfolio to satisfy short-term cash requirements as well as to maintain headroom. Long-term liquidity is reviewed and addressed as part of the five-year business plan process.

**Cyber Risk** The Charterhouse is acutely aware that our corporate IT systems are at the core of our operations and although secure, could be exposed to criminal cyber-attacks. This risk is mitigated by advanced IT safeguards and frequent monitoring.

**Reputational Risk** The Charterhouse gives ongoing consideration regarding any of its acts or omissions that could adversely impact the reputation of the Charterhouse or the Governors.

The Governors are responsible for ensuring that an effective system of internal financial controls is maintained and operated by the Charterhouse. The Governors' review of the system of these controls is informed by comments made by the external auditors in their management letter and other reports.



The Great Chamber dressed up for filming of *The Crown*

Outlined below are both the membership of each committee as at 31 March 2022 and brief highlights of their respective terms of reference:

#### Finance and Audit Committee

- |                       |   |
|-----------------------|---|
| Peter Hodgson (Chair) | › To liaise with the external auditors  |
| Rebecca Munns         | › To review risk management issues  |
| Kate McLeod           | › To monitor internal controls  |
| Sufina Ahmad          | › To ensure compliance with Financial Reporting Standards   |
| Simon Kitching        |   |
| Andrew Ritchie        | › To oversee all matters of compliance and regulatory reporting   |
| Bernadette Cunningham | › To monitor the financial and legal/constitutional conduct of the Charity and advise the Assembly on financial performance |
| William Naunton       |   |
| Caroline Rolfe        |   |
- › To approve financial terms and conditions for the staff
  - › To oversee the management of the charity's investments and monitor income
  - › To oversee management of investment properties
  - › To safeguard the condition of the historic buildings of the charity
  - › To ensure the buildings are suitable for occupation by the Brothers
  - › To implement a short and medium term programme of repairs and maintenance

#### Estates Sub-Committee (reporting into the Finance and Audit Committee)

- |                               |   |
|-------------------------------|---|
| Bernadette Cunningham (Chair) | › To oversee the property aspects of the Hospital site charity's affairs            |
| Andrew Ritchie                | › To consider/review the annual budgets for estates management and property         |
| Simon Kitching                |   |
| William Naunton               | › To monitor implementation of, and performance against, budgets on a regular basis |
- › To recommend to the Finance and Audit Committee expenditure on any capital project
  - › To oversee the management of Estates (H&S, maintenance, projects)
  - › To assess the potential for lowering the carbon footprint and agree a programme for implementation of carbon reduction measures over the site

#### Remuneration Committee (reporting into the Finance and Audit Committee)

- |                     |  |
|---------------------|--|
| Kate McLeod (Chair) | › To determine remuneration and benefits as it applies to all employees      |
| Caroline Cassels    |  |
| David Farnsworth    | › To review the remuneration strategy and policy of the charity periodically |
- › To determine any remuneration and benefits for Governors

#### Carthusia Board Directors

- |                        |   |
|------------------------|---|
| Andrew Ritchie (Chair) | › To consider/approve the annual revenue and capital budgets                        |
| Peter Hodgson          | › To monitor implementation of, and performance against, budgets on a regular basis |
| Peter Aiers            |   |
- › To oversee, and ensure compliance with, the Financial Control Policy
  - › To advise Assembly on strategic financial planning including forecasting
  - › To consider and review all relevant risks and liabilities that might arise
  - › To review the annual accounts ahead of submission to the Finance and Audit Committee

#### Hospital Care Committee

- |                          |  |
|--------------------------|--|
| Caroline Cassels (Chair) | › To oversee all aspects of the care and welfare of the Brothers   |
| Andrew Ritchie           | › To oversee all aspects of Health and Safety  |
| Michael Harding          |  |
| Caroline Abrahams        | › To ensure compliance with procedures and rules of the regulatory agencies responsible for medical and care matters |
| Flora Lyon               |  |

#### Heritage Committee

- |                       |   |
|-----------------------|---|
| Kay Andrews (Chair)   | › To advise Governors on the heritage, conservation and sustainability of the site and its contents |
| Simon Kitching        |   |
| Bernadette Cunningham | › To have oversight of site development plans   |
| Wilf Weeks            |   |
- › To make recommendations to the Finance and Audit Committee on the allocation of resources for their repair and conservation

#### Development Committee

- |                    |   |
|--------------------|---|
| Wilf Weeks (Chair) | › To approve development strategy including all cases for support                         |
| David Farnsworth   |   |
| Andrew Ritchie     | › To approve methods of fundraising and development                                       |
| Sufina Ahmad       |   |
| Caroline Abrahams  | › To monitor and support the Friends' Scheme with a view to growing the number of members |
| Flora Lyon         |   |
| Caroline Rolfe     |   |

# Financial Review

## Principal Funds

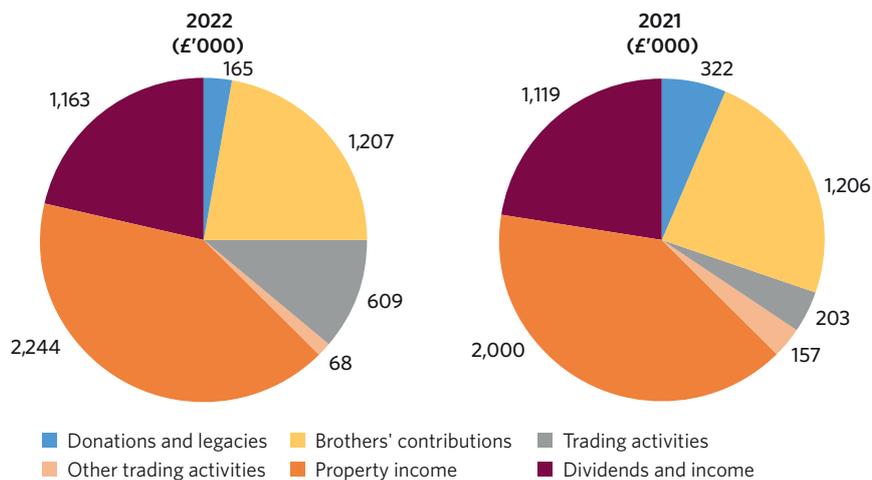
The charity operates two principal endowment funds, the General Fund and the Hospital Branch Fund. The income of both funds comprises rents from property and dividends and interest from the charity's other investments. As defined by the 2009 Scheme, the General Fund meets a proportion of the residential costs and the whole of the management and support costs of the charity. The net income of the General Fund is divided equally (the Moiety) between Charterhouse School and the Hospital Branch Fund.

Under the terms of the original Charity Commission Scheme of 1872, the charity continues to support the School by distributing a prescribed amount of its income. The Moiety for the 2021/22 year under the provisions of the 2009 Scheme is £524,000 (2021: £448,000) and this sum is distributed to both Charterhouse School and the Hospital Fund once the accounts have been approved by the Governors and audited.

The Hospital Branch Fund meets the majority of the costs of providing long term residential care for the Brothers, who also make a contribution to the overall care costs. The Hospital Branch Fund also meets 75% of the costs of the repair and maintenance of the charity's historic buildings.

## Income

Total income of the Unrestricted and Restricted Funds increased in the year from £5.0m to £5.5m as trading income picked up post Covid-19 pandemic. The split of income across both years is as follows;



Total expenditure has risen in the year from £5.1m to £5.6m as fundraising costs have increased due to the much higher levels of trading activities.

## Investment Policy

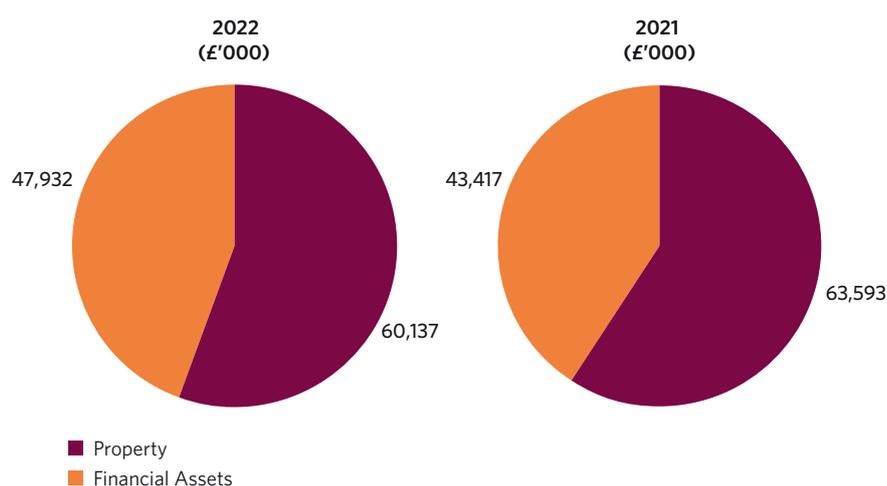
The charity's General Fund and Hospital Branch Fund are permanently endowed. The charity is restricted to the annual sum receivable under the Total Return Distribution Policy (see below) to support its operations with no further access to the capital. The investment strategy therefore focuses on the total investment return to provide adequate income over the long term to fund both the operations of the Hospital and financial support to the School, having due regard to the need to protect and enhance the capital value of the endowments. Each of our three Investment Managers is responsible for the management of a proportion of the charity's financial investments, and manages the investments of the General Fund and the Hospital Branch Fund on a consolidated basis. The Assembly has instructed each Investment Manager to pursue a policy which sets a target for the overall performance of the portfolio; these targets have been established at RPI plus 4% per annum on a rolling five year basis.

There are currently no specific constraints on the Charterhouse portfolio in terms of ethical, social or environmental (ESG) matters but the managers of the portfolio are expected to take ESG issues into consideration when assessing individual investments and actively engage with company management to improve their ESG policies and practices.

## Property and Financial Investment Portfolios

The property portfolio decreased in value by 5.4% (£3.5m) from £63.6m to £60.1m. The financial portfolio, however increased by 10.4% (£4.5m) from £43.4m to £47.9m. A full external property valuation was carried out in the year and the changes are as a result of the underlying market movements.

The split by portfolio across both years is as follows;



The Governors adopted a Total Return Distribution Policy from 26 March 2015 for both the General and Hospital funds. The resolution was approved by the Charity Commission under section 282 of the Charities Act 2011. The policy is based on a transfer of 3% of the 5 year average capital value of the fund, less actual income for the year.

The total return on the listed securities portfolio for the year was 11.7% (2021: 17.6%). This compares to the RPI plus 4% benchmark calculated at 13.0% for the year (2021: 5.5%).

## Reserves

	2022 Total £'000	2021 Total £'000
Endowment Fund - General	80,843	81,841
Endowment Fund - Hospital	27,410	25,891
Restricted Income Fund	183	198
Unrestricted Income Fund	425	724
Designated Fixed Assets	7,889	7,696
	<b>116,750</b>	<b>116,350</b>

The Governors established a balance of free reserves held in the Unrestricted Income Fund of the Hospital Branch Fund. These are designed to finance working capital requirements and to protect the operations of the charity against any unexpected fluctuations in income. The Governors have set a target of one year's expenditure (excluding the Moiety) as the desired level of free reserves.

## Charitable Donations

The charity made no charitable donations during either year outside the scope of its own activities. No donations were made for any political purpose in the current or previous year. That said, the charity has run joint events with other charities, associations and community groups in our space. This is seen as part of the Charterhouse's Good Neighbour scheme and wider engagement with the community helping to improve the lives and environment within which the charity, its staff and beneficiaries operate.

Approved by the Governors and signed of their behalf by;

Major General Andrew Ritchie CBE  
Chairman  
21 July 2022

## **INDEPENDENT AUDITOR'S REPORT TO THE GOVERNORS OF SUTTON'S HOSPITAL IN CHARTERHOUSE For the period ended 31 March 2022**

### **Opinion**

We have audited the financial statements of Sutton's Hospital in Charterhouse (the 'parent charity') and its subsidiary (the 'group') for the period ended 31 March 2022 which comprise the Group and parent charity Statement of Financial Activities, the Group and parent charity Balance Sheets, the Group Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and charity's affairs as at 31 March 2022 and of their incoming resources and application of resources for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

### **Basis for opinion**

We have been appointed as auditors under section 151 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent 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 group's or parent charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the governors with respect to going concern are described in the relevant sections of this report.

### **Other information**

The other information comprises the information included in the Annual Report and Accounts other than the financial statements and our auditor's report thereon. The Governors are responsible for the other information contained within the Annual Report and Accounts. Our opinion on the financial statements does not cover the other information and, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

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

### Responsibilities of Governors

As explained more fully in the Statement of Governors' responsibilities set out on page 13, the Governors are responsible for the preparation of the financial statements and for being satisfied that they 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 group's and parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Governors either intend to liquidate the group or parent charity or to cease operations, or have no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the financial statements

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.

### The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework, that the group and parent charity operates in and how the group and parent charity is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Charities Act 2011, the parent charity's governing document and Charities (Protection and Social Investment) Act 2016. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Governors' Report, remaining alert to new or unusual transactions which may not be in accordance with the governing documents.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to the Care Act 2014. We performed audit procedures to inquire of management and those charged with governance whether the group is in compliance with these law and regulations and inspected correspondence with regulatory authorities.

The group audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business and challenging judgments and estimates.

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

### **Use of our report**

This report is made solely to the charity's Governors as a body, in accordance with the Charities Act 2011. 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's Governors as a body, for our audit work, for this report, or for the opinions we have formed.

RSM UK Audit LLP  
Statutory Auditor  
Chartered Accountants  
25 Farringdon Street  
London  
EC4A 4AB

RSM UK Audit LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006. .

## Consolidated Statement of Financial Activities

For the period to 31 March 2022

	Note	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	2022 Total £'000	2021 Total £'000
<b>Income and Endowments from:</b>						
Donations and legacies		71	94	-	165	322
Brothers' Contributions		1,207	-	-	1,207	1,206
Trading activities		544	65	-	609	203
Other trading activities		39	29	-	68	157
Investment income		940	1,929	-	2,869	2,583
Transfer from Capital to Income (TRDP)		41	497	(538)	-	-
<b>Total Income and Endowments</b>	2	2,842	2,614	(538)	4,918	4,471
<b>Expenditure on raising funds</b>						
Investment and property management expenses		-	630	-	630	504
Trading activities		379	103	-	482	219
Fundraising		31	71	-	102	78
<b>Charitable activities</b>						
Governance		-	295	-	295	338
Support and general charitable activity		-	449	-	449	727
Infirmity care		1,713	-	-	1,713	1,520
Sheltered accommodation		1,313	-	-	1,313	1,151
Moiety to Charterhouse School		-	524	-	524	448
Pensions in payment		36	33	-	69	66
<b>Total Expenditure</b>	3	3,472	2,105	-	5,577	5,051
<b>Net income/expenditure before gains on investments</b>		(630)	509	(538)	(659)	(580)
Gains on financial investments	7	-	-	4,517	4,517	6,205
Losses on freehold property	7	-	-	(3,458)	(3,458)	(896)
<b>Net income/expenditure</b>		(630)	509	521	400	4,729
Transfer between funds	5	524	(524)	-	-	-
<b>Net movement in funds</b>		(106)	(15)	521	400	4,729
Total funds brought forward		8,420	198	107,732	116,350	111,621
<b>Total funds carried forward</b>		8,314	183	108,253	116,750	116,350

Analysis of Restricted Funds and Endowment Funds is included as Note 15.

## Statement of Financial Activities – Charity Only

For the period to 31 March 2022

	Note	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	2022 Total £'000	2021 Total £'000
<b>Income and Endowments from:</b>						
Donations and legacies		71	205	-	276	322
Brothers' contributions		1,207	-	-	1,207	1,206
Other trading activities		39	29	-	68	157
Investment income		940	1,929	-	2,869	2,583
Transfer from Capital to Income (TRDP)		41	497	(538)	-	-
<b>Total Income and Endowments</b>	2	2,298	2,660	(538)	4,420	4,268
<b>Expenditure on raising funds</b>						
Investment and property management expenses		-	630	-	630	504
Fundraising		31	71	-	102	78
<b>Charitable activities</b>						
Governance		-	295	-	295	338
Support and general charitable activity		-	449	-	449	727
Infirmity care		1,713	-	-	1,713	1,520
Sheltered accommodation		1,313	-	-	1,313	1,151
Moiety to Charterhouse School		-	524	-	524	448
Pensions in payment		36	33	-	69	66
<b>Total Expenditure</b>	3	3,093	2,002	-	5,095	4,832
<b>Net income/expenditure before gains on investments</b>		(795)	658	(538)	(675)	(564)
Gains on financial investments	7	-	-	4,517	4,517	6,205
Losses on freehold property	7	-	-	(3,458)	(3,458)	(896)
<b>Net income/expenditure</b>		(795)	658	521	384	4,745
Transfer between funds	5	524	(524)	-	-	-
<b>Net movement in funds</b>		(271)	134	521	384	4,745
Total funds brought forward		8,436	198	107,732	116,366	111,621
<b>Total funds carried forward</b>		8,165	332	108,253	116,750	116,366

## Consolidated and charity balance sheets

As at 31 March 2022

	Note	Group 2022 £'000	Group 2021 £'000	Charity 2022 £'000	Charity 2021 £'000
<b>Assets</b>					
<b>Fixed Assets</b>					
Tangible assets	6	7,889	7,696	7,889	7,696
Investment property	7	60,135	63,593	60,135	63,593
Financial assets	7	47,934	43,417	47,934	43,417
Investment in Carthusia Ltd		-	-	-	-
<b>Total fixed assets</b>		<b>115,958</b>	114,706	<b>115,958</b>	114,706
<b>Current Assets</b>					
Stock		-	20	-	-
Debtors	8	320	350	540	420
Cash at bank and in hand		2,253	2,917	1,938	2,806
<b>Total current assets</b>		<b>2,573</b>	3,287	<b>2,478</b>	3,226
<b>Liabilities</b>					
<b>Current Liabilities</b>					
Creditors	9	(1,781)	(1,643)	(1,686)	(1,566)
<b>Total current liabilities</b>		<b>(1,781)</b>	(1,643)	<b>(1,686)</b>	(1,566)
<b>Net current assets</b>		<b>792</b>	1,644	<b>792</b>	1,660
<b>Total net assets</b>		<b>116,750</b>	116,350	<b>116,750</b>	116,366
<b>The funds of the Charity:</b>					
Endowment Fund - General		80,843	81,841	80,843	81,841
Endowment Fund - Hospital		27,410	25,891	27,410	25,891
Restricted fund income		183	198	332	198
Unrestricted Income Fund		425	724	276	740
Designated tangible fixed assets		7,889	7,696	7,889	7,696
<b>Total funds</b>	10	<b>116,750</b>	116,350	<b>116,750</b>	116,366

Approved by the Governors and signed on their behalf by:

Major General Andrew Ritchie CBE  
 Chairman  
 21 July 2022

**CONSOLIDATED CASH FLOW STATEMENT**

For the period to 31 March 2022

	Note	2022 £'000	2021 £'000
<b>Cash outflow from Operating Activities</b>	(a)	<b>(2,983)</b>	(2,171)
<b>Cash flows from investing activities</b>			
Investments purchased		(4,696)	(3,572)
Movement in cash held as investment		869	313
Purchase of fixed assets		(550)	-
Proceeds from disposal of investments		3,827	3,364
Construction of property		-	(380)
Investment income		2,869	2,583
<b>Net cash inflows from investing activities</b>		<b>2,319</b>	2,308
<b>Net cash (outflow)/inflow for the year</b>	(b)	<b>(664)</b>	137

**Notes to Cash flow statement**
**(a) Reconciliation of net incoming resources to net cash outflow from operating activities**

Loss for the year (per statement of financial activities)	(659)	(580)
Less: investment income received	(2,869)	(2,583)
<b>Operating result</b>	<b>(3,528)</b>	(3,163)
Depreciation	357	368
Decrease in stock	20	3
Decrease in debtors	30	491
Increase/(decrease) in balance due to Charterhouse School	77	(30)
Increase in creditors	61	160
<b>Net cash from operating activities</b>	<b>(2,983)</b>	(2,171)

**(b) Movement in Bank and Deposit balances**

Balance at beginning of year	2,917	2,780
Balance at end of year	2,253	2,917
<b>Net cash (outflow)/inflow for the year</b>	<b>(664)</b>	137

## Notes to the accounts

For the period to 31 March 2022

### 1 Accounting policies

#### (a) Basis of accounting

The accounts are prepared under the historical cost accounting rules, modified by the valuation of investment property and listed securities, and in accordance with applicable United Kingdom accounting standards.

The accounts have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The accounts have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Charity constitutes a public benefit entity as defined by FRS 102.

The accounts are presented in sterling which is also the functional currency of the charity. The amounts are presented to the nearest £1,000.

The accounts have been prepared to a period end date of 31st March. The comparatives are prepared to the year end date of 25th March 2021.

#### (b) Going concern

The charity's activities, its current financial position and factors likely to affect its future development are set out in the Report of the Governors. On this basis the Board has a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in the financial statements.

The Charterhouse has reliable income streams from property rentals, investment dividends and providing residential services. Post year-end property rentals remain steady and the cash position remains strong, therefore, the Governors consider that there are no material uncertainties in adopting the going concern basis of accounting.

#### (c) Investments and cash balances

Investments in securities are shown at bid-market value. Freehold property investments are shown at their year-end market value. Any realised or unrealised gains or losses are included in the Consolidated Statement of Financial Activities in the year in which they occur. Investments include cash held by investment managers. Other cash balances, not held for working capital requirements, are held on deposit.

## Notes to the accounts (continued)

For the period to 31 March 2022

### 1 Accounting policies continued

#### (d) Tangible Fixed Assets

The original 1611 purchase price of the Hospital and the site has been included at a cost of £13,000 and fully depreciated.

No cost or value is attributed to historic items such as artwork and silverware donated to the charity because no reliable cost or value can be determined. The original costs of these assets are not known and no value has been placed upon them. The Governors consider that the cost of obtaining a value for these assets outweighs the benefit of being able to disclose a value. The insurance valuation is not considered to be a true indicator of the value of the artefacts to the charity.

All other tangible fixed assets are valued at historic cost. Expenditure on the historic buildings which results in enhancement or improvement and costing more than £50,000 in aggregate for each major component project is capitalised, with depreciation charged at 2% per annum.

Operational fixtures and fittings and infrastructure for the Hospital (including the Infirmary), Museum and Learning Centre are capitalised, with depreciation charged over an estimated life of five years except in the case of minor additions costing less than £5,000 which are expensed in the year in which the cost is incurred.

Assets in the course of construction are recorded at cost and transferred to the appropriate asset category when the asset is brought into use.

The cost of sundry office equipment and fixtures and fittings used in the administration of the charity is considered immaterial and written off on acquisition. The cost of these assets is not available and such items are generally dealt with on a replacement basis.

#### (e) Stock

Stock is valued at the lower of cost or net realisable value.

#### (f) Funds

The charity maintains two endowment funds, the General Fund and the Hospital Fund, the capital of which is not available to be spent. Income arising on the General Fund may only be spent as specified in the 2009 Scheme, whereas Hospital Fund income is unrestricted. Designated funds represent amounts set aside by the Governors for specific purposes. The restricted funds represent funds received for specific projects in accordance with the donors' wishes.

#### (g) Group Financial Statements

These financial statements consolidate the results of the charity and its wholly-owned subsidiary company Carthusia Limited on a line by line basis. A separate detailed Statement of Financial Activities is presented for the charity with the turnover and resources expended for Carthusia Limited in the consolidated Statement of Financial Activities replaced in the charity's Statement of Financial Activities by the amount of the Gift Aid income payable to the charity by Carthusia Limited.

#### (h) Incoming Resources

Income from the charity's investment and property portfolio, Brothers' Contributions and other income are all accounted for on a receipts basis. Donations received for the general purposes of the Hospital Fund are credited to unrestricted funds, and those that are subject to the specific wishes of donors credited to the relevant fund.

Donations raised by specific fundraising for the Charterhouse Fund, and unrestricted legacies, are included in full on a receivable basis, and allocated to that fund.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution.

Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

**(i) Resources Expended**

Resources expended are included in the Consolidated Statement of Financial Activities on an accruals basis, inclusive of any VAT which cannot be recovered. Liabilities are recognised when there is a legal or constructive obligation committing the charity to the expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Charitable expenditure comprises of costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly and those costs of an indirect nature apportioned on an appropriate basis.

In accordance with the 2009 Scheme, the Hospital's repairs and maintenance expenditure is apportioned between the General Fund and the Hospital Branch Fund in the ratio of 25:75. These are apportioned across all operations of the charity.

Costs of raising funds include investment expenses and management fees, including fees charged for revaluations and disposals, are charged directly against the capital of the respective funds. These fees can be specifically identified by reference to the investments held by each respective fund.

**(j) The Moiety**

The Moiety from the General Fund to Charterhouse School and the Hospital Fund is calculated as a distribution of the General Fund's net incoming resources for the year excluding investment management fees and gains or losses on investments.

**(k) Governance**

Governance costs represent the costs associated with the constitutional and statutory requirements of the charity. These include costs relating to statutory audit and legal fees, together with apportionment of management costs and related overheads.

**(l) Pension Costs**

The charity established and makes contributions to a defined contribution scheme for those staff who elected to become members. With effect from July 2014 and following new pension legislation the charity auto enrolled and made contributions to all staff that had not previously elected into a new defined contribution scheme. The assets of both schemes are held separately in an independently administered fund.

Pensions in payment, shown as other costs in the Consolidated Statement of Financial Activities, represent pension payments made to retired members of staff in respect of their service to the charity before the independent pension scheme was established.

**(m) Total Return Investment Policy**

The Governors adopted a Total Return Distribution policy in 2015 for both the General and Hospital Funds. The policy is based on a transfer of 3% of the 5 year average capital value of the fund, less the actual income for the year.

## Notes to the accounts (continued)

For the period to 31 March 2022

### 1 Accounting policies continued

#### (n) Financial Instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 in full to all of its financial instruments.

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument and are offset only when the charity currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

#### (o) Financial assets

Trade, group investment income & rent recoverable and other debtors (including accrued income) which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

#### (p) Financial liabilities

Financial instruments are classified as liabilities according to the substance of the contractual arrangements entered into.

#### (q) Critical Accounting Estimates and Areas of Judgement

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

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are the valuations attributable to the charity's investment holdings in its stocks and shares and property portfolios and the return from these that will determine the amount of income that can be taken into account under the charity's total return investment policy.

In categorising leases as finance leases or operating leases, management makes judgements as to whether significant risks and rewards of ownership have transferred to the charity as lessee, or the lessee, where the charity is a lessor.

#### (r) Apportionment of costs

The Governors approve annually formulae to apportion support costs over all the activities of the charity. The criteria for apportioning support and governance costs to charitable activities continue to be as follows:

- 1 Management staff costs, and related overheads, are apportioned across all the operations of the charity on a time spent basis.
- 2 Security costs are apportioned between costs of generating funds and charitable activities by reference to the respective values of the properties for insurance purposes.
- 3 Other costs which cover both Infirmary and the provision of sheltered accommodation are apportioned in the ratio of rooms available in the Infirmary and other rooms.

## 2 Income and Endowments

	Generated funds		Charitable Activities		Restricted Funds	2022 £'000	2021 £'000
	Investment and other Income £'000	Fundraising Activities £'000	Infirmity care £'000	Sheltered accomod. £'000			
Property rentals	2,244	-	-	-	-	<b>2,244</b>	2,000
Securities income	1,164	-	-	-	-	<b>1,164</b>	1,119
Turnover of Carthusia	-	544	-	-	65	<b>609</b>	203
Activities for generating funds	-	66	-	-	94	<b>160</b>	293
Voluntary income	-	5	-	-	-	<b>5</b>	5
Brothers contributions	-	-	22	641	-	<b>663</b>	751
Other incoming resources	29	38	544	-	-	<b>611</b>	588
Unattributed VAT recovered	-	-	-	-	-	<b>-</b>	48
Total return distribution	(538)	-	-	-	-	<b>(538)</b>	(536)
<b>Total Income (Consolidated)</b>	<b>2,899</b>	<b>653</b>	<b>566</b>	<b>641</b>	<b>159</b>	<b>4,918</b>	4,471
Less: Turnover of Carthusia	-	(544)	-	-	(65)	<b>(609)</b>	(203)
Plus: Carthusia donation	-	111	-	-	-	<b>111</b>	-
<b>Total Income (Charity only)</b>	<b>2,899</b>	<b>220</b>	<b>566</b>	<b>641</b>	<b>94</b>	<b>4,420</b>	4,268

Government grant income of £14,000 was received in the year (2021: £151,000).

	Generated funds		Charitable Activities		Restricted Funds	2021 £'000	2020 £'000
	Investment and other Income £'000	Fundraising Activities £'000	Infirmity care £'000	Sheltered accomod. £'000			
Property rentals	2,000	-	-	-	-	<b>2,000</b>	2,141
Securities income	1,119	-	-	-	-	<b>1,119</b>	1,061
Turnover of Carthusia	-	203	-	-	-	<b>203</b>	642
Interest	-	-	-	-	-	<b>-</b>	10
Activities for generating funds	-	10	-	-	283	<b>293</b>	829
Voluntary income	-	5	-	-	-	<b>5</b>	51
Brothers contributions	-	-	55	696	-	<b>751</b>	742
Other incoming resources	-	133	455	-	-	<b>588</b>	406
Unattributed VAT recovered	-	-	-	48	-	<b>48</b>	234
Total return distribution	(536)	-	-	-	-	<b>(536)</b>	(323)
<b>Total Income (Consolidated)</b>	<b>2,583</b>	<b>351</b>	<b>510</b>	<b>744</b>	<b>283</b>	<b>4,471</b>	5,793
Less: Turnover of Carthusia	-	(203)	-	-	-	<b>(203)</b>	(462)
<b>Total Income (Charity only)</b>	<b>2,583</b>	<b>148</b>	<b>510</b>	<b>744</b>	<b>283</b>	<b>4,268</b>	5,331

## Notes to the accounts (continued)

For the period to 31 March 2022

### 3 Resources expended

	Costs of generating funds		Charitable Activities			2022 £'000	2021 £'000
	Investment and other Income £'000	Fundraising Activities £'000	Infirmary care £'000	Sheltered accommod. £'000	Restricted Funds £'000		
Property related costs	576	-	-	-	-	576	460
Carthusia Trading costs	-	379	-	-	103	482	219
Salaries and Pensions	138	193	740	212	-	1,283	840
Infirmary Service costs	-	-	192	30	-	222	742
Catering	-	-	182	189	-	371	253
Repairs and Maintenance	-	-	14	223	84	321	345
Security	32	-	49	81	-	162	130
Household and general	9	-	338	549	-	896	835
Development office costs	-	42	-	-	-	42	93
Audit	3	3	8	15	-	29	26
Other professional charges	17	31	42	82	-	172	128
Depreciation	-	-	36	321	-	357	368
Irrecoverable VAT	-	-	21	50	-	71	98
	<b>775</b>	<b>648</b>	<b>1,622</b>	<b>1,752</b>	<b>187</b>	<b>4,984</b>	4,537
Moeity to School						524	448
Pensions in payment						69	66
<b>Total Expenditure (Consolidated)</b>						<b>5,577</b>	5,051
Less: Carthusia trading costs						(482)	(219)
<b>Total Expenditure (Charity only)</b>						<b>5,095</b>	4,832

	Costs of generating funds		Charitable Activities			2021 £'000	2020 £'000
	Investment and other Income £'000	Fundraising Activities £'000	Infirmary care £'000	Sheltered accommod. £'000	Restricted Funds £'000		
Property related costs	460	-	-	-	-	460	477
Carthusia trading costs	-	170	-	-	49	219	462
Salaries and pensions	141	247	201	251	-	840	652
Infirmary service costs	-	-	646	96	-	742	749
Catering	-	-	101	152	-	253	445
Repairs and maintenance	-	-	51	203	91	345	516
Security	26	-	39	65	-	130	132
Household and general	27	-	410	398	-	835	283
Development office costs	-	93	-	-	-	93	129
Audit	3	3	8	12	-	26	24
Non audit services	-	-	-	-	-	-	4
Other professional charges	34	-	29	65	-	128	87
Depreciation	-	-	38	330	-	368	495
Irrecoverable VAT	-	-	29	69	-	98	-
Revealing the Charterhouse	-	-	-	-	-	-	33
	<b>691</b>	<b>513</b>	<b>1,552</b>	<b>1,641</b>	<b>140</b>	<b>4,537</b>	4,488
Moeity to School						448	477
Pensions in payment						66	66
<b>Total Expenditure (Consolidated)</b>						<b>5,051</b>	5,031
Less: Carthusia trading costs						(219)	(462)
<b>Total Expenditure (Charity only)</b>						<b>4,832</b>	4,569

#### 4 Staff costs

	2022 £'000	2021 £'000
Wages and salaries	1,955	1,912
Employer's Social Security costs	187	175
Pension contributions	106	109
Redundancy costs	41	-
Agency costs	192	285
	<b>2,481</b>	<b>2,481</b>

The costs of staff employed in the Infirmary, repairs and maintenance and catering are shown in Note 3 under their respective departmental costs.

The average head count during the year was 75 (2021: 72), composed of 50 (2021: 44) full-time and 25 (2021: 28) part-time staff. This represents the equivalent of 62 (2021: 57) full time members of staff.

#### Employees receiving total remuneration including taxable benefits in excess of £60,000:

	2022 No.	2021 No.
<b>Total remuneration including taxable benefits</b>		
£60,000 – £70,000	3	-
£70,001 – £80,000	1	-
£80,001 – £90,000	-	1
£90,001 – £100,000	1	-

Governors do not receive any remuneration for their services, 2022: Nil (2021: Nil).

The remuneration of key management personnel being those on the Senior Management Team, including employer's National Insurance, was £452,000 (2021: £488,000).

#### 5 Transfers

In accordance with the 2009 Scheme, the Moiety transfer represents the transfer of half of the General Restricted Income Fund surplus to the Hospital Unrestricted Income Fund.

The Governors adopted a Total Return Distribution policy in 2015 for both the General and Hospital Funds. The policy is based on a transfer of 3% of the 5-year average capital value of the fund, less the actual income for the year. This brought £538,000 (General Fund £497,000, Hospital Fund £41,000) (2021: £536,000 (General Fund £498,000, Hospital Fund £38,000)) from capital as income. The amounts are included as investment income.

An amount of £524,000 has been transferred from restricted income funds to unrestricted income funds being the Moiety transfer for the year.

## Notes to the accounts (continued)

For the period to 31 March 2022

### 6 Tangible Assets Charity and Group

	Buildings £'000	Furniture and Fixtures £'000	Plant, Machinery and Equipment £'000	Total £'000
<b>Cost or valuation</b>				
Balance at 26 March 2021	10,097	823	116	11,036
Additions	-	138	477	615
Disposals	(65)	-	-	(65)
<b>Balance as 31 March 2022</b>	<b>10,032</b>	<b>961</b>	<b>593</b>	<b>11,586</b>
<b>Accumulated depreciation</b>				
Balance at 26 March 2021	2,730	574	36	3,340
Disposals	-	-	-	-
Charge for the period	202	150	5	357
<b>Balance at 31 March 2022</b>	<b>2,932</b>	<b>724</b>	<b>41</b>	<b>3,697</b>
<b>Net book value 31 March 2022</b>	<b>7,100</b>	<b>237</b>	<b>552</b>	<b>7,889</b>
Net book value 25 March 2021	7,367	249	80	7,696

### 7 Fixed Assets Investments Charity and Group

	Investment Freehold property £'000	Capital Financial Assets £'000	2022 £'000	2021 £'000
Market value at start of period	63,593	42,010	<b>105,603</b>	100,086
Purchases	-	4,696	<b>4,696</b>	3,572
Disposals	-	(3,827)	<b>(3,827)</b>	(3,364)
Change in fair value	(3,458)	4,517	<b>1,059</b>	5,309
	60,135	47,396	<b>107,531</b>	105,603
Cash held by investment managers	-	538	<b>538</b>	1,407
<b>Total</b>	<b>60,135</b>	<b>47,934</b>	<b>108,069</b>	107,010

The freehold properties held were independently valued as at 31 March 2022 by Knight Frank LLP, acting in the capacity of External Valuers as defined in the RICS Red Book. The valuations accord with the requirements of FRS 102 and the 19th Edition of the RICS Valuation – Professional Standards (incorporating the International Valuation Standards “The RICS Red Book”). The valuations were arrived at predominantly by reference to market evidence for comparable property and yield methodology.

The investments are managed by Newton Investment Management Ltd, Waverton Investment Management Ltd and Troy Asset Management Ltd.

## 8 Debtors

	Group 2022 £'000	Group 2021 £'000	Charity 2022 £'000	Charity 2021 £'000
Investment income and rents receivable	87	-	87	-
Due from Carthusia Limited	-	-	246	86
Other debtors	106	275	80	259
Prepayments	127	75	127	75
	<b>320</b>	<b>350</b>	<b>540</b>	<b>420</b>

## 9 Creditors

	Group 2022 £'000	Group 2021 £'000	Charity 2022 £'000	Charity 2021 £'000
Taxation and social security	90	42	87	38
Income in advance	720	656	349	619
Trade creditors	114	80	107	60
Moeity to Charterhouse School	524	447	524	447
Other creditors and accruals	333	418	619	402
	<b>1,781</b>	<b>1,643</b>	<b>1,686</b>	<b>1,566</b>

## 10 Analysis of assets between funds (Group)

	General Fund		Hospital Branch Fund			2022 £'000	2021 £'000
	Endowment £'000	Unrestricted Income Fund £'000	Restricted Fund £'000	Designated tangible fixed assets fund £'000	Endowment £'000		
Investment freehold property	37,485	-	-	-	22,650	<b>60,135</b>	63,593
Other investments (unlisted, listed and bonds)	44,018	-	-	-	3,916	<b>47,934</b>	43,417
Tangible assets	-	-	-	7,889	-	<b>7,889</b>	7,696
Cash	1,258	995	-	-	-	<b>2,253</b>	2,917
Other current (liabilities) / assets	(1,918)	(570)	183	-	844	<b>(1,461)</b>	(1,273)
	<b>80,843</b>	<b>425</b>	<b>183</b>	<b>7,889</b>	<b>27,410</b>	<b>116,750</b>	116,350

	General Fund		Hospital Branch Fund			2021 £'000	2020 £'000
	Endowment £'000	Unrestricted Income Fund £'000	Restricted Fund £'000	Designated tangible fixed assets fund £'000	Endowment £'000		
Investment freehold property	42,132	-	-	-	21,461	<b>63,593</b>	64,489
Other investments (unlisted, listed and bonds)	39,869	-	-	-	3,548	<b>43,417</b>	37,317
Tangible assets	-	-	-	7,696	-	<b>7,696</b>	7,684
Cash at bank and in hand	1,349	1,568	-	-	-	<b>2,917</b>	1,780
Other current (liabilities) / assets	(1,509)	(844)	198	-	882	<b>(1,273)</b>	351
<b>Consolidated</b>	<b>81,841</b>	<b>724</b>	<b>198</b>	<b>7,696</b>	<b>25,891</b>	<b>116,350</b>	111,621
Plus: other current(liabilities)/assets	-	16	-	-	-	<b>16</b>	-
<b>Charity only</b>	<b>81,841</b>	<b>740</b>	<b>198</b>	<b>7,696</b>	<b>25,891</b>	<b>116,366</b>	111,621

## Notes to the accounts (continued)

For the period to 31 March 2022

### 11 Analysis of fund movements (2021/22)

	General Fund			Hospital Branch Fund		
	Trust for investment £'000	Unapplied total return £'000	Total endowment £'000	Trust for investment £'000	Unapplied total return £'000	Total endowment £'000
<b>At beginning of the reporting period:</b>						
Gift component of the permanent endowment	25,404	-	<b>25,404</b>	768	-	<b>768</b>
Unapplied total return	-	14,465	<b>14,465</b>	-	2,780	<b>2,780</b>
	25,404	14,465	<b>39,869</b>	768	2,780	<b>3,548</b>
<b>Movements in the reporting period:</b>						
Net additions to and (withdrawals from) listed securities to fund investment property	(75)	-	<b>(75)</b>	(12)	-	<b>(12)</b>
Gift of endowment funds	-	-	-	-	-	-
Investment return: dividends and interest	-	573	<b>573</b>	-	52	<b>52</b>
Investment return: realised and unrealised gains and (losses)	-	4,148	<b>4,148</b>	-	369	<b>369</b>
Unapplied total return allocated to income in the reporting period	-	(497)	<b>(497)</b>	-	(41)	<b>(41)</b>
<b>Net movements in reporting period</b>	<b>(75)</b>	<b>4,224</b>	<b>4,149</b>	<b>(12)</b>	<b>380</b>	<b>368</b>
<b>At end of the reporting period:</b>						
Gift component of the permanent endowment	25,329	-	<b>25,329</b>	756	-	<b>756</b>
Unapplied total return	-	18,689	<b>18,689</b>	-	3,160	<b>3,160</b>
	25,329	18,689	<b>44,018</b>	756	3,160	<b>3,916</b>
Investment freehold property	37,485	-	<b>37,485</b>	22,650	-	<b>22,650</b>
Tangible fixed assets	-	-	-	-	-	-
Cash	1,258	-	<b>1,258</b>	-	-	-
Net current assets / (liabilities)	(1,918)	-	<b>(1,918)</b>	844	-	<b>844</b>
<b>Total Endowment funds</b>	<b>62,154</b>	<b>18,689</b>	<b>80,843</b>	<b>24,250</b>	<b>3,160</b>	<b>27,410</b>

### Analysis of fund movements (2020/21)

	General Fund			Hospital Branch Fund		
	Trust for investment £'000	Unapplied total return £'000	Total endowment £'000	Trust for investment £'000	Unapplied total return £'000	Total endowment £'000
<b>At beginning of the reporting period:</b>						
Gift component of the permanent endowment	25,545	-	<b>25,545</b>	780	-	<b>780</b>
Unapplied total return	-	8,722	<b>8,722</b>	-	2,270	<b>2,270</b>
	25,545	8,722	<b>34,267</b>	780	2,270	<b>3,050</b>
<b>Movements in the reporting period:</b>						
Listed securities additions/(withdrawals)	(141)	-	<b>(141)</b>	(12)	-	<b>(12)</b>
Investment returns: dividends and interest	-	535	<b>535</b>	-	49	<b>49</b>
Investment returns: realised and unrealised gains/(losses)	-	5,706	<b>5,706</b>	-	499	<b>499</b>
Less: Investment management costs	-	-	-	-	-	-
Unapplied total return allocated to income in the period	-	(498)	<b>(498)</b>	-	(38)	<b>(38)</b>
<b>Net movement in the period</b>	<b>(141)</b>	<b>5,743</b>	<b>5,602</b>	<b>(12)</b>	<b>510</b>	<b>498</b>
<b>At end of the reporting period:</b>						
Gift component of the permanent endowment	25,404	-	<b>25,404</b>	768	-	<b>768</b>
Unapplied total return	-	14,465	<b>14,465</b>	-	2,780	<b>2,780</b>
	25,404	14,465	<b>39,869</b>	768	2,780	<b>3,548</b>
Investment freehold property	42,132	-	<b>42,132</b>	21,461	-	<b>21,461</b>
Tangible fixed assets	-	-	-	-	-	-
Cash	1,349	-	<b>1,349</b>	-	-	-
Net current assets / (liabilities)	(1,509)	-	<b>(1,509)</b>	882	-	<b>882</b>
<b>Total Endowment funds</b>	<b>67,376</b>	<b>14,465</b>	<b>81,841</b>	<b>23,111</b>	<b>2,780</b>	<b>25,891</b>

## 12 Related parties

In accordance with the 2009 Scheme, the Charity is liable to pay £524,000 (2021: £448,000) as financial support to Charterhouse School. The amount owing at the year-end is shown as a current liability in the Balance Sheet.

The charity recharged expenses to Carthusia Limited during the year of £50,000 (2021: £49,000). Carthusia Limited paid its surplus for the year to the charity £111,000 being the profit for the year less the deficit from the previous year (2021: £nil). At the year end, Carthusia Limited owed the charity £246,000 (2021: £86,000).

## 13 Capital commitments

At the accounting date, the Charity and Group had capital commitments of £59,000 (2021: £334,000 ).

## 14 Financial instruments

FRS 102 requires disclosure of the role which financial instruments have had during the year in creating or changing the risks an entity faces in undertaking its activities. Financial instruments include investments in equity shares and bonds, cash held on deposit and other receivables.

	<b>Group 2022 £'000</b>	Group 2021 £'000	<b>Charity 2022 £'000</b>	Charity 2021 £'000
<b>Financial assets</b>				
Listed Investments	47,396	42,010	47,396	42,010
Cash held	2,791	4,324	2,475	4,213
Rent and other receivables	320	350	540	420
<b>Total financial assets</b>	<b>50,507</b>	46,684	<b>50,411</b>	46,643
<b>Financial liabilities</b>				
Trade and other payables	1,781	1,554	1,686	1,546
<b>Total financial liabilities</b>	<b>1,781</b>	1,554	<b>1,686</b>	1,546

## Notes to the accounts (continued)

For the period to 31 March 2022

### 15 Restricted Funds Analysis

	2022		
	General Fund Restricted Funds £'000	Hospital Fund Restricted Funds £'000	Total Restricted Funds £'000
<b>Income and Endowments from:</b>			
Donations and legacies	-	94	94
Brothers' Contributions	-	-	-
Trading activities	-	65	65
Other trading activities	29	-	29
Investment income	1,929	-	1,929
Transfer from Capital to Income (TRDP)	497	-	497
<b>Total Income and Endowments</b>	<b>2,455</b>	<b>159</b>	<b>2,614</b>
<b>Expenditure on raising funds</b>			
Investment and property management Expenses	630	-	630
Trading Activities	-	103	103
Fundraising	-	71	71
Governance	295	-	295
<b>Charitable activities</b>			
Support and general charitable activity	449	-	449
Infirmity care	-	-	-
Sheltered accommodation	-	-	-
Moiety to Charterhouse School	524	-	524
Pensions in payment	33	-	33
<b>Total Expenditure</b>	<b>1,931</b>	<b>174</b>	<b>2,105</b>
<b>Net income/expenditure before gains on investments</b>	<b>524</b>	<b>(15)</b>	<b>509</b>
Gains on financial investments	-	-	-
Gains on freehold property	-	-	-
<b>Net income/expenditure</b>	<b>524</b>	<b>(15)</b>	<b>509</b>
Transfer of Moiety	(524)	-	(524)
<b>Net movement in funds</b>	<b>-</b>	<b>(15)</b>	<b>(15)</b>
Total funds brought forward	-	198	198
<b>Total funds carried forward</b>	<b>-</b>	<b>183</b>	<b>183</b>

## Endowment Funds Analysis

	2022		
	General Fund	Hospital Fund	Total
	Endowment Funds £'000	Endowment Funds £'000	Endowment Funds £'000
<b>Income and Endowments from:</b>			
Donations and legacies	-	-	-
Brothers' Contributions	-	-	-
Trading activities	-	-	-
Other trading activities	-	-	-
Investment income	-	-	-
Transfer from Capital to Income (TRDP)	(497)	(41)	<b>(538)</b>
<b>Total Income and Endowments</b>	<b>(497)</b>	<b>(41)</b>	<b>(538)</b>
<b>Expenditure on raising funds</b>			
Investment and property management Expenses	-	-	-
Trading Activities	-	-	-
Fundraising	-	-	-
Governance	-	-	-
<b>Charitable activities</b>			
Support and general charitable activity	-	-	-
Infirmity care	-	-	-
Sheltered accommodation	-	-	-
Moiety to Charterhouse School	-	-	-
Pensions in payment	-	-	-
<b>Total Expenditure</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net income/expenditure before gains on investments</b>	<b>(497)</b>	<b>(41)</b>	<b>(538)</b>
Gains on financial investments	4,148	369	<b>4,517</b>
Gains on freehold property	(4,649)	1,191	<b>(3,458)</b>
<b>Net income/expenditure</b>	<b>(998)</b>	<b>1,519</b>	<b>521</b>
Transfer between funds	-	-	-
<b>Net movement in funds</b>	<b>(998)</b>	<b>1,519</b>	<b>521</b>
Total funds brought forward	81,841	25,891	<b>107,732</b>
<b>Total funds carried forward</b>	<b>80,843</b>	<b>27,410</b>	<b>108,253</b>

## Notes to the accounts (continued)

For the period to 31 March 2022

### 16 Carthusia Limited

The charity owns the entire share capital of £1 of Carthusia Ltd. All functions and fundraising events held since 21 April 2011 have been conducted with the trading subsidiary (company number 7612570). A summary of the trading results is shown below:

	2022 £'000	2021 £'000
Turnover	609	203
Cost of sales	(301)	(156)
<b>Gross profit</b>	<b>308</b>	<b>47</b>
Administrative expenses	(181)	(64)
<b>Profit for the financial year and total comprehensive income</b>	<b>127</b>	<b>(17)</b>
<b>Current Assets</b>		
Stock	-	20
Debtors	26	16
Cash at bank and in hand	316	111
<b>Total Current Assets</b>	<b>342</b>	<b>147</b>
	-	-
Creditors: amounts falling due in one year	(342)	(164)
<b>Net Assets and shareholders' funds</b>	<b>-</b>	<b>(17)</b>

**Senior Staff**

Master	Peter Aiers IHBC FRSA
Director of Operations	Tom Foakes MA MStJ
Preacher	The Reverend Canon Ann Clarke ACP SCP
Director of Finance	Chris Adcock LVO MA FCA
Director of Health and Wellbeing	Karen Singleton BA(Hons) RN(LD)

**Advisors**

Auditor	RSM UK Audit LLP 25 Farringdon Street, London, EC4A 4AB
Bankers	Barclays Bank plc Level 27, 1 Churchill Place, Canary Wharf, London, E14 5HP
Investment Managers	Newton Investment Management Limited 160 Queen Victoria Street, London, EC4V 4LR  Troy Asset Management Limited Brookfield House, 44 Davies Street, London, W1K 5JA  Waverton Investment Management Limited 21 St. James Square, London, SW1Y 4HB
Independent Valuers	Knight Frank LLP 55 Baker Street, London, W1U 8AN
Property Advisers	General Fund - Ingleby Trice LLP 10 Foster Lane, London EC2V 6HR  Hospital Fund - Daniel Watney LLP 165 Fleet Street, London, EC4A 2DW
Solicitors	Stone King LLP Boundary House, 91 Charterhouse Street, London, EC1M 6HR
Registered Charity Number:	207773
Head Office	Charterhouse Square, London EC1M 6AN

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## Annual Report

Report and accounts of the Charterhouse  
for the period ended 31st March 2022

[www.thecharterhouse.org](http://www.thecharterhouse.org)

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