

REGISTERED COMPANY NUMBER: 03716992 (England and Wales)
REGISTERED CHARITY NUMBER: 1074732

**Report of the Trustees and
Financial Statements for the Year Ended 31st March 2023
for
The Charles Hastings Education Centre
(A Company Limited by Guarantee)**

The Charles Hastings Education Centre

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for the Year Ended 31st March 2023**

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The Charles Hastings Education Centre

**Reference and Administrative Details
for the Year Ended 31st March 2023**

TRUSTEES	Mr J Black Mr R Dudley Mr A G Duncan Dr C Goldsmith (resigned 16.5.22) Dr N Hudson Professor M J Kendall (resigned 17.10.22) Dr S King Dr J M Mather Sir D Nicholson (resigned 17.10.22) Mr J A Yelland OBE FCA (resigned 31.7.23) Dr L Tulloch Mrs D Nicol Dr S F Murphy Director (appointed 17.10.22) (resigned 28.7.23) Mr A G Bramley (appointed 28.7.23)
COMPANY SECRETARY	Mr P J Morris
REGISTERED OFFICE	The Charles Hastings Education Centre Worcestershire Royal Hospital Charles Hastings Way Worcester Worcestershire WR5 1DD
REGISTERED COMPANY NUMBER	03716992 (England and Wales)
REGISTERED CHARITY NUMBER	1074732
SENIOR STATUTORY AUDITOR	Melissa Jean Godwin ACCA
INDEPENDENT AUDITORS	Richards Sandy Audit Services Limited (Statutory Auditor) Thorneloe House 25 Barbourne Road Worcester WR1 1RU
SOLICITORS	Hallmark Whatley Hulme 3,4 & 5 Sansome Place Worcester WR1 1UQ
BANKERS	Lloyds Bank Plc 4 The Cross Worcester WR1 3PY

The Charles Hastings Education Centre

Report of the Trustees for the Year Ended 31st March 2023

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st March 2023. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Principal objects

The charity's objects are the advancement of education in matters relating to medicine and health care, with particular reference to:

- the education and training of doctors and other staff employed in the National Health Service (or any organisation that may replace it);
- the provision of library and information services for medical and health care staff;
- to provide a venue for meetings, conferences and lectures for doctors and other health care staff; and
- to establish and maintain a museum which collects, documents, preserves, interprets and exhibits to a wider public material information relating to the history of medicine and health care in and around Worcester and in particular the books and artifacts relating to the founding of the British Medical Association in Worcester.

Public benefit

The Trustees confirm that they have complied with the duty in Section 17 (5) of the 2011 Charities Act to have due regard to guidance on public benefit, published by the Charity Commission when reviewing the charity's objectives and planning future activities.

Policy

To operate The Charles Hastings Education Centre to enable the advancement of education in matters relating to medicine and healthcare.

Objectives of the charity and strategies for achieving them

The primary objective of the charity is to maintain the infrastructure of the buildings and equipment within the buildings to a standard consistent with a leading educational institution.

The Centre continues to work closely with the local community to improve access to museum collections, to raise awareness of what the museum and other heritage organisations can offer people and to inspire people to learn more about their heritage and the history of medicine.

Review

Essential building repairs and redecoration were completed and equipment replaced during the year under the annual Life Cycle Maintenance Programme.

The Infirmary Museum, a Heritage Lottery funded joint project with the University of Worcester, continued to be operated and open to the public during the year.

Plans for the Future

The charity will continue to build financial reserves so that the equipment and facilities can be improved over time. The charity will continue to market the Centre so that any spare capacity can be used to generate income.

ACHIEVEMENT AND PERFORMANCE

Fundraising activities

In the year under review the charity did not carry out any fundraising activities (as defined by section 162A of Charities Act 2011).

FINANCIAL REVIEW

Financial results

The charity's unrestricted incoming resources increased to £440,207 (2022 - £295,525). Unrestricted resources expended increased to £414,861 (2022 - £307,767) and the net unrestricted incoming resources for the year amounted to a surplus of £25,346 (2022 - deficit of £12,242).

The Charity prepares an annual budget which is monitored by the trustees. Variances from the budget are acted upon as appropriate. The charity's management accounts are discussed at regular trustee's meetings.

The principal source of funding sources is the letting of the Charity's premises to its subsidiary, the Worcestershire Healthcare Education Company Ltd (WHEC) and, through WHEC, to the Worcestershire Acute Hospitals NHS Trust, acting as agent for all NHS bodies in the County.

The Charles Hastings Education Centre

Report of the Trustees for the Year Ended 31st March 2023

FINANCIAL REVIEW

Reserves policy

The charity's policy for the level of income reserves was reviewed in February 2018 and it was decided that a minimum reserve of £250,000 be maintained between The Charles Hastings Education Centre and its subsidiary, The Worcestershire Healthcare Education Company. The trustees believe that this level of reserves would be enough to cover any significant loss of income, or any large repairs to the centre. After deducting fixed assets, unrestricted general reserves were £364,885 at 31 March 2023 (2022 - £367,259).

The designated development fund was established in the year ended 31 March 2018 in order to build reserves for future development projects, including a possible extension to the Charles Hastings Education Centre. The balance of this fund at 31 March 2023 was £154,000 (2020 - £154,000).

Restricted reserves

A restricted reserve was established in respect of the development and construction of the buildings to house The Charles Hastings Education Centre. That building was completed during the year ended 31 March 2003. The balance of that fund at 31 March 2023 was £1,869,504 (2022 - £11,934,296) representing the depreciated cost of the building.

A restricted reserve was established in respect of the provision of fixed assets for the Medical Museum and the development of educational resources. The balance of that fund at 31 March 2023 was £275,568 (2022 - £290,059), representing the depreciated cost of those assets and the grant income available to spend on future educational resources.

A restricted reserve was also established for the provision of an audio-visual link between operating theatres in the hospital and the lecture theatre in the Education Centre and for the provision of clinical skills equipment in the Centre. The fund balance of £20,419 (2022 - £36,401) represents the depreciated cost of those assets.

A further restricted fund was established in 2010 to develop a new museum exhibition within the former Worcester Royal Infirmary at Castle Street which has received Heritage Lottery Funding. The fund balance at 31 March 2023 was £24,385 (2022 - £31,208); the project was completed on 31 October 2014 and the balance represents the depreciated cost of the assets held within the exhibition, as adjusted for the debtors and bank balance.

Two further restricted funds were established from income received in 2020/21 for a Cardiology Educational Fund and a Paediatric Training Fund.

Each of the above restricted reserves relate to specific grants received from third parties and totalled £2,196,418 at 31 March 2023 (2022 - £2,303,115).

Investment Powers

The investment powers are governed by the Trustee Investment Act 1961 (as amended) and the Charities Act 2011.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Charity is a company limited by guarantee which is governed by its Memorandum and Articles of Association. The Charity is registered with the Charity Commission. The Charity registration number is 1074732 and the limited company number is 03716992.

Recruitment and appointment of new trustees

The Trustees/Directors, being eligible, offer themselves in rotation for re-election every three years at the Annual General Meeting. The appointment of the Trustees is made by the members in the annual general meeting on the recommendation of existing trustees based on personal recommendations.

Organisational structure

The Charles Hastings Education Centre is a registered charity and a private limited company. There is a Board of Trustees/ Directors which manages the organisation at a strategic level. The conduct of the Board is governed by Standing Orders, a Scheme of Delegation of Interest and Standing Financial Instructions.

The Scheme of Delegation provides that the following powers are retained solely by the Board:

- Policy determination;
- Approval of business plan;
- Appointments of officers;
- Financial and performance monitoring;
- Approval of audit arrangements; and
- Approval of organisation structures, including committees and sub-committees.

The Charles Hastings Education Centre

Report of the Trustees for the Year Ended 31st March 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Board has approved the committee structure as follows:

- Reporting to the Board is the Management Committee which has an agreed constitution covering membership and terms of reference; and
- Reporting to the Management Committee is one sub-committee that meets on the same cycle as the Board and Management Committee, i.e. at least three times per annum. This is the Museum Sub-Committee and as with the Management Committee, this sub-committee has prescribed membership and terms of reference. The decision-making of the Management Committee and the sub-committee is prescribed by the Scheme of Delegation and their terms of reference.

The Chairman, Secretary and Treasurer have prescribed duties and responsibilities under the Scheme of Delegation. The Secretary, P J Morris, is responsible for the day-to-day management of the organisation.

Induction and training of new trustees

Trustees are inducted by meeting with the Chairman and Secretary. Trustees' skills are regularly reviewed and updated where necessary.

Related parties

The Worcestershire Healthcare Education Company Limited is the wholly-owned subsidiary of The Charles Hastings Education Centre. It is a private limited company and exists to undertake the commercial activities of The Charles Hastings Education Centre. It has the same board of directors and the same officers and, as with The Charles Hastings Education Centre, the Secretary is responsible for the day-to-day running of The Worcestershire Healthcare Education Company Limited.

Any profit of The Worcestershire Healthcare Education Company Limited is gift aided to The Charles Hastings Education Centre; during the year ended 31 March 2023 £166,971 (2022 - £50,908) was gifted to the charity.

Risk assessment

The Trustees regularly assess the risks to which the charity is exposed and take appropriate action to mitigate these.

QUALIFYING THIRD PARTY INDEMNITY PROVISION

Per the charitable company's Articles of Association, subject to the provisions of the Act every trustee or other officer of the Charity shall be indemnified out of the assets of the Charity against any liability incurred by him in that capacity in defending any proceedings, whether civil or criminal, in which judgement is given in his favour or in which he is acquitted or in connection with any application in which relief is granted to him by the court from liability or negligence, default, breach of duty or breach of trust in relation to the affairs of the Charity.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of The Charles Hastings Education Centre for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The Charles Hastings Education Centre

**Report of the Trustees
for the Year Ended 31st March 2023**

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 6th Nov. 2023 and signed on its behalf by:


.....
Mr J Black - Trustee

**Report of the Independent Auditors to the Members of
The Charles Hastings Education Centre**

Opinion

We have audited the financial statements of The Charles Hastings Education Centre (the 'charitable company') for the year ended 31st March 2023 which comprise the Statement of Financial Activities, the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st March 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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 the provisions available for small entities, in the circumstances set out in note 21 to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Report of the Independent Auditors to the Members of The Charles Hastings Education Centre

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our 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 a Report of the Independent Auditors 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 our procedures are capable of detecting irregularities, including fraud is detailed below:

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

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, we have:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the company operates in and how the company is complying with the legal and regulatory framework; and
- 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.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Companies Act 2006 (and related legislation), the Charities Act 2011 (and related legislation) and laws and regulation regarding VAT.

We performed audit procedures to detect non-compliances which may have a material impact on the financial statements, which included reviewing the financial statement disclosures and reviewing the calculations of VAT returns, including testing a sample of income and expenditure transactions to ensure that VAT on such transactions have been correctly accounted for and considered the application of partial VAT exemptions.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

**Report of the Independent Auditors to the Members of
The Charles Hastings Education Centre**

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Melissa Jean Godwin ACCA (Senior Statutory Auditor)
for and on behalf of Richards Sandy Audit Services Limited
(Statutory Auditor)
Thorneloe House
25 Barbourne Road
Worcester
WR1 1RU

Date: 06.12.23.....

The Charles Hastings Education Centre

Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31st March 2023

	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	4	168,324	12,000	180,324	50,908
Charitable activities					
The Charles Hastings Education Centre	6	253,752	-	253,752	234,564
George Marshall Medical Museum		1,519	-	1,519	827
Investment income	5	4,612	-	4,612	109
Other income	7	-	-	-	9,117
Total		428,207	12,000	440,207	295,525
EXPENDITURE ON					
Charitable activities					
The Charles Hastings Education Centre	8	397,221	101,392	498,613	390,360
George Marshall Medical Museum		17,640	5,305	22,945	15,390
Total		414,861	106,697	521,558	405,750
NET INCOME/(EXPENDITURE)		13,346	(94,697)	(81,351)	(110,225)
RECONCILIATION OF FUNDS					
Total funds brought forward		580,537	2,303,115	2,883,652	2,993,877
TOTAL FUNDS CARRIED FORWARD		593,883	2,208,418	2,802,301	2,883,652

The notes form part of these financial statements

The Charles Hastings Education Centre (Registered number: 03716992)

Balance Sheet
31st March 2023

	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
FIXED ASSETS					
Tangible assets	14	86,997	2,189,876	2,276,873	2,345,934
Investments	15	1	-	1	1
		<u>86,998</u>	<u>2,189,876</u>	<u>2,276,874</u>	<u>2,345,935</u>
CURRENT ASSETS					
Debtors	16	242,636	-	242,636	263,767
Cash at bank and in hand		381,198	18,542	399,740	354,062
		<u>623,834</u>	<u>18,542</u>	<u>642,376</u>	<u>617,829</u>
CREDITORS					
Amounts falling due within one year	17	(116,949)	-	(116,949)	(80,112)
NET CURRENT ASSETS		<u>506,885</u>	<u>18,542</u>	<u>525,427</u>	<u>537,717</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>593,883</u>	<u>2,208,418</u>	<u>2,802,301</u>	<u>2,883,652</u>
NET ASSETS		<u>593,883</u>	<u>2,208,418</u>	<u>2,802,301</u>	<u>2,883,652</u>
FUNDS	19				
Unrestricted funds				593,883	580,537
Restricted funds				2,208,418	2,303,115
TOTAL FUNDS				<u>2,802,301</u>	<u>2,883,652</u>

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 6 NOV 2023 and were signed on its behalf by:


Mr J Black - Trustee

The Charles Hastings Education Centre

Notes to the Financial Statements for the Year Ended 31st March 2023

1. STATUTORY INFORMATION

The charity is a company limited by guarantee. The members of the company are the trustees named in the 'Reference and Administrative Details' on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

The charitable company's registered number and registered office address can be found on page 1.

2. ACCOUNTING POLICIES

BASIS OF PREPARING THE FINANCIAL STATEMENTS

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial information presented is for the charity alone and does not incorporate the results of the trading subsidiary undertaking The Worcestershire Healthcare Education Company.

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

The charity is exempt from preparing a cashflow statement because it is not a larger charity.

PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

The financial statements contain information about The Charles Hastings Education Centre as an individual company and do not contain consolidated financial information as the parent of a group. The charity is exempt under Section 399(2A) of the Companies Act 2006 and under Section 139(2) of the Charities Act 2011 from the requirements to prepare consolidated financial statements.

INCOME

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Grants and donations receivable

Grants and donations are credited to profit and loss account when they are receivable. Restricted grants and donations received for capital expenditure are shown as a Restricted Reserve and the expenditure to which they relate is capitalised as a tangible fixed asset and depreciated in accordance with accounting policy.

Income from charitable activities

Letting income is recognised on a straight line basis over the term of the lease. This is disclosed separately in the Leasing accounting policy.

Course income and museum takings are recognised in the period in which the income relates to. Museum takings are recognised at point of sale. Course income is recognised in the period in which the course occurs.

Income from investments

Income from investments is recognised when the relating investments issue notice of distribution to its investors.

EXPENDITURE

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

TANGIBLE FIXED ASSETS

Depreciation is provided on all tangible fixed assets, stated at cost, at the following annual rates in order to write off each asset over its estimated useful life. Assets are included at cost and any capital expenditure less than £100 is not capitalised.

Leasehold property	- 2% on cost
Improvements to leasehold property	- 2% on cost

The Charles Hastings Education Centre

Notes to the Financial Statements - continued for the Year Ended 31st March 2023

2. ACCOUNTING POLICIES - continued

TANGIBLE FIXED ASSETS

Plant and equipment	- 15% on reducing balance
Audio visual equipment	- 12.5% on cost

TAXATION

The charity is exempt from corporation tax on its charitable activities.

FUND ACCOUNTING

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

DONATED GOODS AND SERVICES

The charitable company leases from Worcestershire Acute Hospitals NHS Trust the land upon which it has erected the premises known as the Charles Hastings Education Centre at Worcestershire Royal Hospital. The lease is for a period of 99 years from 8 March 2002 and a peppercorn rent is payable if demanded. The fair value of this donated service is not measurable and as such no value of the donated land has been included within the accounts.

INVESTMENTS

The investment in the subsidiary company, The Worcestershire Healthcare Education Company Limited, is included at cost.

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 to all of its financial instruments.

Financial instruments are recognised when the charity becomes party to contractual provisions of the instrument.

Financial assets are offset, with the net amounts presented in the accounts where there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic Financial Assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Basic Financial Liabilities

Basic financial liabilities, including trade and other payables, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of future receipts, discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of the operations from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction cost.

LEASING

Rentals receivable under operating leases are credited to the Statement of Financial Activities on a straight line basis over the lease term.

The Charles Hastings Education Centre

Notes to the Financial Statements - continued
for the Year Ended 31st March 2023

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The charity makes estimates and assumptions concerning the future. The resulting estimates will, by definition, seldom equal the actual results. The estimates and assumptions that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Depreciation

The annual depreciation charge for tangible fixed assets is sensitive to changes in the estimated useful lives and residual values of the assets. The useful lives and residual values are re-assessed annually. They are amended when necessary to reflect the current estimates, based on the technological advancement, future investment, economic utilisation and the physical condition of the assets.

Rates of depreciation are considered on a line by line basis and disclosed within the accounting policy for depreciation.

4. DONATIONS AND LEGACIES

	2023	2022
	£	£
Donations	13,353	-
Gift Aid Donation - The Worcestershire Healthcare Education Company Limited	166,971	50,908
	<u>180,324</u>	<u>50,908</u>

5. INVESTMENT INCOME

	2023	2022
	£	£
Bank interest	4,612	109
	<u>4,612</u>	<u>109</u>

6. INCOME FROM CHARITABLE ACTIVITIES

	The Charles Hastings Education Centre		George Marshall Medical Museum		2023	2022
	£	£	£	£	Total activities	Total activities
	£	£	£	£	£	£
Letting to The Worcestershire Healthcare Education Company Limited	253,752	-	253,752	253,752	234,564	234,564
Museum Takings	-	1,519	1,519	1,519	827	827
	<u>253,752</u>	<u>1,519</u>	<u>255,271</u>	<u>255,271</u>	<u>235,391</u>	<u>235,391</u>

7. OTHER INCOME

	2023	2022
	£	£
Bank compensation	-	250
Other income	-	8,867
	<u>-</u>	<u>9,117</u>

In 2022, the charity received £8,867 from an old bank account for the charity, Charles Hasting Medical Centre Fund (Charity number: 255304).

The Charles Hastings Medical Centre Fund ceased in 2004, and its trade and assets were transferred to The Charles Hastings Education Centre (charity number: 1074732).

The Charles Hastings Education Centre

Notes to the Financial Statements - continued
for the Year Ended 31st March 2023

8. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 9) £
The Charles Hastings Education Centre	498,613
George Marshall Medical Museum	<u>22,945</u>
	<u><u>521,558</u></u>

9. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2023 £	2022 £
Rates and water	11,861	10,010
Insurance	17,440	15,107
Light and heat	168,665	64,128
Telephone	380	396
Postage and stationery	240	-
Sundries	252	253
Estate maintenance	96,532	87,247
Cleaning, security and associated costs	71,603	67,112
Museum costs	22,945	15,390
Company secretary fees	10,000	9,900
Bookkeeper	1,831	985
Repairs and renewals	687	21,819
Audio visual equipment repairs	3,995	3,828
Auditors remuneration	3,040	3,300
Conference costs	3,954	1,889
Accountancy fees	1,310	855
Depreciation	106,793	103,506
Interest payable and similar charges	30	25
	<u>521,558</u>	<u>405,750</u>

10. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2023 £	2022 £
Depreciation - owned assets	106,793	103,506
Amounts payable to auditor for statutory audit	3,040	3,300
Amounts payable to auditor for other financial services	<u>1,310</u>	<u>855</u>

11. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st March 2023 nor for the year ended 31st March 2022.

TRUSTEES' EXPENSES

There were no trustees' expenses paid for the year ended 31st March 2023 nor for the year ended 31st March 2022.

The Charles Hastings Education Centre

Notes to the Financial Statements - continued
for the Year Ended 31st March 2023

12. STAFF COSTS

There were no employees during the year ended 31 March 2023 nor during the year ended 31 March 2022.

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	50,908	-	50,908
Charitable activities			
The Charles Hastings Education Centre	234,564	-	234,564
George Marshall Medical Museum	827	-	827
Investment income	109	-	109
Other income	9,117	-	9,117
Total	295,525	-	295,525
EXPENDITURE ON			
Charitable activities			
The Charles Hastings Education Centre	292,377	97,983	390,360
George Marshall Medical Museum	15,390	-	15,390
Total	307,767	97,983	405,750
NET INCOME/(EXPENDITURE)	(12,242)	(97,983)	(110,225)
RECONCILIATION OF FUNDS			
Total funds brought forward	592,779	2,401,098	2,993,877
TOTAL FUNDS CARRIED FORWARD	580,537	2,303,115	2,883,652

14. TANGIBLE FIXED ASSETS

	Long leasehold buildings £	Improvements to property £	Plant and machinery £	Audio visual equipment £	Totals £
COST					
At 1st April 2022	3,730,109	2,160	506,419	323,601	4,562,289
Additions	-	-	9,708	28,024	37,732
At 31st March 2023	3,730,109	2,160	516,127	351,625	4,600,021
DEPRECIATION					
At 1st April 2022	1,491,285	172	443,067	281,831	2,216,355
Charge for year	74,603	43	10,960	21,187	106,793
At 31st March 2023	1,565,888	215	454,027	303,018	2,323,148
NET BOOK VALUE					
At 31st March 2023	2,164,221	1,945	62,100	48,607	2,276,873
At 31st March 2022	2,238,824	1,988	63,352	41,770	2,345,934

The Charles Hastings Education Centre

Notes to the Financial Statements - continued
for the Year Ended 31st March 2023

15. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
MARKET VALUE	
At 1st April 2022 and 31st March 2023	1
NET BOOK VALUE	
At 31st March 2023	1
At 31st March 2022	1

The Worcestershire Healthcare Education Company Limited

The charity owns 100% of the ordinary shares of The Worcestershire Healthcare Education Company Limited (company number 03885017).

The registered office of The Worcestershire Healthcare Education Company Limited is The Charles Hastings Education Centre Worcestershire Royal Hospital, Charles Hastings Way, Worcester, Worcestershire, United Kingdom, WR5 1DD.

The principal activity of the subsidiary is that of letting the Charles Hastings Education Centre to the Worcester Acute Hospitals Trust and other pharmaceutical companies.

The trading results of The Worcestershire Healthcare Education Company Limited was as follows:

	2023 £	2022 £
Turnover	409,264	273,981
Administrative expenses	(262,293)	(243,073)
Other operating income	20,000	20,000
Profit for the financial year	166,971	50,908
Gift aid distributions to the charity	(166,971)	(50,908)
Net retained earnings for the year	-	-

At the year end the balance sheet of The Worcestershire Healthcare Education Company Limited was as follows:

	2023 £	2022 £
Total current assets	238,422	257,833
Total current liabilities	(238,421)	(257,832)
Share capital	1	1

During the year the charity received from The Worcestershire Healthcare Education Company Limited rental income of £253,752 (2022 - £234,564) and gift aid distributions of £166,971 (2022 - £50,908). At the year end the charity had debtors owing from The Worcestershire Healthcare Education Company Limited of £225,003 (2022 - £249,218).

The Charles Hastings Education Centre

Notes to the Financial Statements - continued
for the Year Ended 31st March 2023

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade debtors	118	-
The Worcestershire Healthcare Education Company Limited	225,003	249,218
VAT	2,083	-
Prepayments and accrued income	15,432	14,549
	<u>242,636</u>	<u>263,767</u>

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade creditors	64,716	18,075
VAT	-	2,148
Other creditors	1,250	-
Accruals	50,983	59,889
	<u>116,949</u>	<u>80,112</u>

18. LEASING AGREEMENTS

The company leases the land upon which it has erected the premises known as the Charles Hastings Education Centre at Worcestershire Royal Hospital, Newtown Road, Worcester from Worcestershire Acute Hospitals NHS Trust. The lease is for a period of 99 years from 8 March 2002. A peppercorn rent is payable if demanded.

The company leases the premises known as the Charles Hastings Education Centre at Worcestershire Royal Hospital, Newtown Road, Worcester to The Worcestershire Healthcare Education Company Limited. The lease is for a period of 25 years from 11 March 2004. The rent receivable in the first year of this lease was £183,750. Subsequent rent receivable is increased annually by reference to the Index of Retail Prices. Rent received during the year ended 31 March 2023 amounted to £253,752 (2022 - £234,564).

19. MOVEMENT IN FUNDS

	At 1.4.22	Net movement in funds	At 31.3.23
	£	£	£
Unrestricted funds			
General fund	426,537	13,346	439,883
Development Fund	154,000	-	154,000
	<u>580,537</u>	<u>13,346</u>	<u>593,883</u>
Restricted funds			
Education Centre	1,934,294	(64,790)	1,869,504
Medical Museum	290,059	(14,491)	275,568
Audio Visual Equipment	36,401	(15,982)	20,419
HLF Museum	31,208	(6,823)	24,385
Cardiology Department Educational Fund	10,000	7,389	17,389
Paediatric Training Fund	1,153	-	1,153
	<u>2,303,115</u>	<u>(94,697)</u>	<u>2,208,418</u>
TOTAL FUNDS	<u>2,883,652</u>	<u>(81,351)</u>	<u>2,802,301</u>

The Charles Hastings Education Centre

Notes to the Financial Statements - continued
for the Year Ended 31st March 2023

19. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	428,207	(414,861)	13,346
Restricted funds			
Education Centre	-	(64,790)	(64,790)
Medical Museum	-	(14,491)	(14,491)
Audio Visual Equipment	-	(15,982)	(15,982)
HLF Museum	-	(6,823)	(6,823)
Cardiology Department Educational Fund	12,000	(4,611)	7,389
	<u>12,000</u>	<u>(106,697)</u>	<u>(94,697)</u>
TOTAL FUNDS	<u>440,207</u>	<u>(521,558)</u>	<u>(81,351)</u>

Comparatives for movement in funds

	At 1.4.21 £	Net movement in funds £	At 31.3.22 £
Unrestricted funds			
General fund	438,779	(12,242)	426,537
Development Fund	154,000	-	154,000
	<u>592,779</u>	<u>(12,242)</u>	<u>580,537</u>
Restricted funds			
Education Centre	1,999,084	(64,790)	1,934,294
Medical Museum	299,245	(9,186)	290,059
Audio Visual Equipment	52,383	(15,982)	36,401
HLF Museum	39,233	(8,025)	31,208
Cardiology Department Educational Fund	10,000	-	10,000
Paediatric Training Fund	1,153	-	1,153
	<u>2,401,098</u>	<u>(97,983)</u>	<u>2,303,115</u>
TOTAL FUNDS	<u>2,993,877</u>	<u>(110,225)</u>	<u>2,883,652</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	295,525	(307,767)	(12,242)
Restricted funds			
Education Centre	-	(64,790)	(64,790)
Medical Museum	-	(9,186)	(9,186)
Audio Visual Equipment	-	(15,982)	(15,982)
HLF Museum	-	(8,025)	(8,025)
	<u>-</u>	<u>(97,983)</u>	<u>(97,983)</u>
TOTAL FUNDS	<u>295,525</u>	<u>(405,750)</u>	<u>(110,225)</u>

The Charles Hastings Education Centre

Notes to the Financial Statements - continued for the Year Ended 31st March 2023

19. MOVEMENT IN FUNDS - continued

Unrestricted Funds

Unrestricted funds include a general fund and a designated fund. The total unrestricted fund balance at 31 March 2023 was £605,883 (2022 - £580,537), but after deducting fixed assets was £518,885 (2021- £521,259) representing approximately 10 months operating costs.

General Fund

The general fund can be used for any charitable purpose within the charity's objects and, per the reserves policy identified by the trustees, a minimum of £250,000 is to be held in this fund. At the year end the balance of the General Fund was £364,885 (2022 - £367,259) after deducting fixed assets.

Development Fund

In view of the considerable increase in demand, a designated Development Fund was established in 2018 in order to build reserves for future development projects (the exact timing of which is currently not known), including a possible extension to the Charles Hastings Education Centre. The balance of this fund at 31 March 2023 was £154,000 (2022 - £154,000).

Restricted Funds

Education Centre

The restricted fund re Education Centre was established in respect of the development and construction of the building to house The Charles Hastings Education Centre. That building was completed during the year ended 31 March 2003. The balance of that fund at 31 March 2023 was £1,869,504 (2022 - £1,934,294) and has arisen from restricted donations.

Medical Museum

The restricted fund re Medical Museum was established in respect of the provision of fixed assets for the Medical Museum and the development of educational resources. The balance of that fund at 31 March 2023 was £275,568 (2022 - £290,059). Again the fund has arisen from restricted donations.

Audio Visual Equipment

The restricted fund re Audio Visual Equipment was also established for the provision of an audio-visual link between operating theatres in the hospital and the lecture theatre in the Education Centre and for the provision of clinical skills equipment in the Centre. The balance of that fund at 31 March 2023 was £20,419 (2022 - £36,401).

Heritage Lottery Fund - Museum

The restricted fund re Heritage Lottery Fund (HLF) Museum was established in 2010 to develop a new museum exhibition within the former Worcester Royal Infirmary at Castle Street. The fund arose from a restricted fund grant from the Heritage Lottery Fund and the balance at 31 March 2023 was £24,385 (2022 - £31,208). The project was completed on 31 October 2014 and permission was granted by the grant provider to allow this lump sum to be transferred into a separate restricted fund to provide educational workshops.

Cardiology Department Educational Fund

The restricted fund re the Cardiology Department Educational Fund was established for the promotion of education throughout the Cardiology department by funding staff courses and scientific meetings. The fund balance as at 31 March 2023 was £5,389 (2022 - £10,000).

Paediatric Training Fund

The restricted fund re the Paediatric Training Fund was established for funding future paediatric training. The fund balance as at 31 March 2023 was £1,153 (2022 - £1,153).

The Charles Hastings Education Centre

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2023**

20. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31st March 2023.

21. FRC ETHICAL STANDARD - PROVISIONS AVAILABLE FOR SMALL ENTITIES

In common with many other businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.