

Trustees' Report and Financial Statements

For the year ended 31 March 2022

Mildmay Mission Hospital Consolidated Accounts

Charity Reg No. 292058

Company Reg No 1921087

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Mildmay Mission Hospital

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Mildmay Mission Hospital

INTRODUCTION

The 2021/22 financial year has continued to be a year in which everything has been overshadowed by the world coronavirus pandemic COVID19.

Inpatient numbers have continued to be at their highest in the recent history of the hospital. The Day Service, suspended in March 2020 has now been disbanded in favour of increased inpatient activity. Over half the hospital inpatient beds continue to be block booked throughout 2021 and 2022 for homeless patients stepped down from NHS Acute Trusts across London for secondary care and rehabilitation. The remaining beds remained available for HIV patients. Towards the end of the financial year, in March we also began a new inpatient pathway treating homeless patients stepped down from their detox treatment at Guys and St Thomas' Hospital, increasing the number of block booked beds to 18.

Levels of COVID within the community have continued to fluctuate as have the number of patients with COVID being treated at Mildmay. The homeless patient beds have been effectively full throughout the whole of the financial year with only short periods where we have dropped below full as we juggle patients out and in.

The HIV patient referrals has fluctuated throughout the year with a steady increase in the final quarter. Most of the Clinical Commissioning Groups (CCG) have relied on Extra Contractual Referrals (ECR) although the new Cost and Volume contract has been taken up by six of the London CCGs with interest from others.

The change in CCGs configuration has caused significant challenges in recovery of debts but by the end of the financial year we had successfully managed to get this number down to its lowest that anyone can remember. This had a significant benefit to our cash flow as we began the introduction of the Electronic Patient Record (EPR) Project. This project is as a direct response to our Care Quality Commission review.

In the early autumn the hospital underwent a review by the Care Quality Commission (CQC) and was rated as 'Good'. There were a small number of actions that were almost entirely focussed on electronic records. The hospitals paper based records would need to be replaced with a system that brought it into line with the rest of the NHS.

The Board of Trustees continued to meet throughout the year both in person and using Zoom. This has allowed participation for Trustees even if they are unable to travel to London. The CEO made one trip to Kenya in the autumn. The first in nearly two years.

The charity continues to benefit from a good sized Board with a range of both business and clinical experience.

We would like to thank all of our supporters, staff, volunteers, churches, trusts, and our statutory partners for supporting the charity throughout the year. In particular, the Healthy London Partnership, our NHS Commissioners and our local member of parliament who time and time again has stood up and supported us.



Rev John Richardson
Chair of Trustees

Geoff Coleman
Chief Executive Officer

Mildmay Mission Hospital

Report of the Trustees for the year ended 31 March 2022

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the consolidated financial statements of the charity and its subsidiary for the year ended 31st March 2022. 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).

Reference and Administrative Details

Mildmay Mission Hospital is a registered charity and is a company limited by guarantee. It is a non-denominational Christian charity.

Charity Number: 292058
Company number: 1921087

The Charity currently has one subsidiary company; through which it fulfils its mission - Mildmay International Ltd (Company number: 3172032).

Registered office	Mildmay Mission Hospital 19 Tabernacle Gardens London E2 7DZ
Auditors:	Chariot House Chartered Accountants and registered Auditors 44 Grand Parade, Brighton BN2 9QA
Overseas Auditors	Obwanga and Associates Certified Public Accountants Kisumu, Kenya
UK Bankers	Royal Bank of Scotland London St Mary Axe Office 54 Lime Street London EC3M 7NQ
Overseas Bankers	Standard Chartered Bank Kenya Ltd Standard Chartered Bank Tanzania Ltd
Investment Managers	CCLA Investment Management Limited 80 Cheapside London EC2V 6DZ

Mildmay Mission Hospital

Report of the Trustees for the year ended 31 March 2022

Trustees

The trustees serving during the year and since the year end were:

Chair of Trustees John Richardson

Trustees Ros Furlong
 Christabel Kunda Resigned 16.12.2021
 Barry Rowan
 Carol Stone
 Ronald Swann Resigned 16.12.2021
 Andrew Warrilow
 Naggib Chakhane
 Anthony Curwen
 Lorna Priddle
 Andrew Wiles
 Laura Hayes
 Ian Clark
 Peter Brunskill

Company Secretary Geoff Coleman

Mildmay Mission Hospital

Report of the Trustees for the year ended 31 March 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

Mildmay Mission Hospital is a company limited by guarantee governed by its Memorandum and Articles of Association dated 10 June 1985 and amended to allow for current governance arrangements on 27 April 1992, 24 March 1997 and 5th December 2016. It is a registered charity with the Charity Commission. Anyone over the age of 18 can become a member of the Company and each member agrees to contribute £1 in the event of the charity winding up.

Appointment of trustees

The directors of the company are also charity trustees for the purposes of charity law. Under the requirements of the Memorandum and Articles of Association, one third of the trustees retire by rotation each year and must be re-elected at the annual general meeting.

The board of trustees has power to appoint a trustee during the year. Any trustee so appointed must be re-elected at the subsequent annual general meeting.

Following an amendment to the governing documents on 5th December 2016 there is now no age restriction upon the appointment of trustees and no requirement to retire based on age.

Trustee Induction and Training

Potential new trustees are invited to attend a board meeting prior to appointment. Following appointment, new trustees undergo orientation to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the board of trustees and decision making processes, the business plan and recent financial performance of the charity. During the orientation they meet key employees and other trustees, and are given an overview of the activities of the charity. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Organisation

The board of trustees, which can have up to 15 members, administers the charity.

The Articles of Association require that there should be a minimum of 5 and a maximum of 15 trustees. During the year there were 12 trustees (on average).

The Board meets approximately four times a year. All have given their time and advice outside and beyond the board meeting. All new Trustees receive orientation and induction training.

Mildmay Mission Hospital

Report of the Trustees for the year ended 31 March 2022

Management

The Board has delegated responsibility for the implementation of the charity's objects and the operation of the charity's programmes. An Executive Director (Chief Executive Officer) is appointed by the trustees to manage the day to day operations of the charity. To facilitate effective operations, the Executive Director has delegated authority, within terms of delegation approved by the trustees, for operational matters including finance and employment.

Risk Management

The trustees have conducted a review of the major risks to which the charity is exposed. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure compliance with health and safety of staff, volunteers, clients, and visitors to the charity's projects. Clinical Risk oversight is exercised through the Clinical Governance Committee. A key element in the management of financial risk is the establishment of a reserves policy and its regular review by the trustees.

OBJECTIVES AND ACTIVITIES

The objects of the charity are:

- (1) the relief, healing and prevention of sickness as an expression of the Christian Faith demonstrating the love of Jesus Christ in action, and
- (2) the promotion of the effective use of charitable resources for the benefit of the public by the provision of services (including programme support, education, technical input and the sharing of clinical developments) to organisations involved in the relief, healing and prevention of sickness as an expression of Christian Faith demonstrating the love of Jesus Christ in action.

The charity's main objectives and activities are expressed in its vision and mission.

Vision

Life in all its fullness for everyone in Mildmay's care.

Mission

To transform and empower lives through the delivery of quality health services, treatment and care in the UK and Africa.

Values

An inclusive Christian charity committed to:

- 1) improving the health of our service users
- 2) listening and responding to need
- 3) development, innovation, partnership and learning
- 4) high standards and good stewardship of resources
- 5) celebrating achievement

Mildmay Mission Hospital

Report of the Trustees for the year ended 31 March 2022

STRATEGIC & BUSINESS PLANNING

The organisation last agreed its Strategic Objectives in 2018 for three to five years. Each year the organisation updates a Business Plan the purpose of which is to meet the longer Strategic Objectives.

STRATEGIC OBJECTIVES 2018 - 2023

- To continually improve standards and quality of care
- To expand the impact and reach of the charity's services within the community both in the UK and Africa
- To become a more cost effective charity demonstrating good stewardship of the resources that we have

Reflection of the Business Plan 2021-22

This year the charity made significant progress in achieving the objectives set out in its 2018 strategy. The expansion of the inpatient pathways and the increase in inpatient admissions has demonstrated that Mildmay is capable of sustaining the higher levels of activity achieved in the previous financial year. The work to introduce a third pathways came to a successful conclusion in March 2022 with the introduction of the Rebuild Pathway (homeless step-down detox inpatients).

Mildmay Kenya have also expanded their activities into a third county with the increase in Global Fund work, enabling them to reach more communities. We continue to work closely with this team as they look for new funding streams to compliment the work that they do. We also help with fundraising for specific key local projects such as Mageta Island where we know that we are able to have an impact.

As a direct result of the successes this year the Trustees felt that a new strategic plan should be agreed as early in the 2022-23 financial year as reasonably possible.

PUBLIC BENEFIT

The trustees receive and consider reports quarterly from all projects of the group. After review the trustees are satisfied that the objectives of the charity are being met and that its activities have a significant benefit in terms of health and quality of life of its clients both in the UK and Kenya. In addition, they are satisfied that the charity's training and educational programmes have a direct and positive affect on the quality of health care being delivered by healthcare professionals.

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

FINANCIAL REVIEW

Mildmay Mission Hospital carries out its objectives through two organisations, Mildmay Mission Hospital Ltd and its subsidiary Mildmay International Ltd. The results of the subsidiaries are shown in note 6 to the accounts on page 23. Mildmay Mission Hospital incurred a surplus of £68k (2021: surplus of £538k) and Mildmay International Ltd results were a deficit of £0 (2021: nil).

Income and expenditure are allocated to two funds, the general fund and the restricted fund. Total income for the year was £3,875k (2021: £4,525k), a decrease on the previous year of £650k. Resources expended for the year amounted to £3,807K (2021: £3,987k), a decrease of £180k.

Mildmay Mission Hospital

Report of the Trustees for the year ended 31 March 2022

The charity's objectives and activities are financed partly by grants and contractual income, any balance required is met by voluntary funding. The trustees keep under review the strategy and return on fundraising costs; this strategy is updated annually. The fundraising team raises funds from individuals, churches, companies and trusts.

The results of the funds have been shown separately on page 15 within the accounts and a reconciliation of the movement on accumulated funds is shown on page 14. Taking Mildmay Mission Hospital's funds in total (i.e. the charity and its subsidiaries together), there was a net surplus for the year of £68k (2021: surplus of 538k). There was an unrestricted surplus of £141k for the year (2021: surplus of £486k).

In accordance with Charity Commission guidance on charity reserves, Mildmay Mission Hospital has developed a policy as to the appropriate level of "free reserves": "free reserves" being the general fund balance excluding funds represented by tangible fixed assets. The intention is that between 25% and 50% of annual operating costs, excluding fixed asset expenditure, is held as "free reserves". This indicates that "free reserves" should be within the range £952k to £1,953k.

"Free reserves" at 31 March 2022 were £1,607k (2021: £1,402k).

PLANS FOR THE FUTURE

Having secured a third pathway for the London hospital in March the next year will focus on securing all three pathways in the plans for NHS commissioning for London. This will be achieved by focussing on the following areas:

- actively seek out the health inequalities in our community for the patients that we serve and develop 'holistic' services to address them.
- build partnerships in order to benefit the patients that we serve.
- build a model for the delivery of healthcare that continually improves, is open, transparent, sustainable and challenging.

In addition, we will continue to focus on debt recovery from our NHS commissioners. This will be particularly challenging as, once again, NHS commissioning organisations are undergoing significant change.

We will also continue to match NHS pay and conditions, allowing the charity to recruit from the same pool of human resources as our NHS partner organisations.

Finally, we will complete the implementation of the Electronic Patient Record system bringing the organisation into line with other NHS providers.

Mildmay Mission Hospital

Report of the Trustees for the year ended 31 March 2022

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Community Base 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; state whether applicable 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 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.

Mildmay Mission Hospital
Report of the Trustees for the year ended 31 March 2022

AUDITORS

Our auditors, Chariot House, have signified their willingness to continue in office and a resolution proposing their re-appointment will be put to the annual general meeting.

In approving the trustees report, we are approving the strategic report in our capacity as directors.

Signed on behalf of the trustees



John Richardson
Chair of Trustees

Date: 4/11/22

Independent auditors' report to the Trustees of Mildmay Mission Hospital

Opinion

We have audited the financial statements of Mildmay Mission Hospital (the parent 'charitable company') and its subsidiary for the year ended 31 March 2022 which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, the Charitable Company Balance Sheet, the Consolidated Cash Flow Statement 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 group and charitable company's affairs as at 31 March 2022 and of its incoming resources and application of resources, including the group's 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 group 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 trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's 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.

Independent auditors' report to the Trustees of Mildmay Mission Hospital

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.

Opinion 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 group and 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.

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 group and 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 group or charitable company or to cease operations, or have no realistic alternative but to do so.

Independent auditors' report to the Trustees of Mildmay Mission Hospital

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.

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

We gained an understanding of the legal and regulatory framework applicable to the charitable company and the industry in which it operates, and considered the risk of acts by the charitable company that were contrary to applicable laws and regulations, including fraud. We identified that the following laws and regulations are central to the charitable company:

- Companies Act 2006
- Charities Act 2011
- Charities SORP 2019
- Health & safety regulations

We did not find any instances of non-compliance or breaches of the legislation framework applicable to the charitable company.

We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

We identified that the following areas were of high risk:

- Completeness of income. We performed various audit tests to ensure that income was not materially understated in the financial statements.
- Management override of controls. We performed various audit tests to ensure there was no material management override of controls.

We focussed on laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006, UK tax legislation, Charities Act 2011 and Charities SORP 2019. Our tests included agreeing the financial statement disclosures to underlying supporting documentation, enquiries with management and enquiries of legal counsel when considered necessary. There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. We did not identify any key audit matters relating to irregularities, including fraud. As in all our audits, we also addressed the risk of management bias by the directors that represented a risk of material misstatement due to fraud.

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

Independent auditors' report to the Trustees of Mildmay Mission Hospital

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.



John Thacker FCA DChA (Senior Statutory Auditor)
for and on behalf of Chariot House Limited
Chartered Accountants and Statutory Auditor
44 Grand Parade
Brighton
East Sussex
BN2 9QA

Date: 15 November 2022

Mildmay Mission Hospital

MOVEMENT IN CONSOLIDATED ACCUMULATED FUNDS

During the year ended 31 March 2022

	General Fund 2022 £'000	Restricted Funds 2022 £'000	Total Funds 2022 £'000	Total Funds 2021 £'000
Balance brought forward at 1 April 2021	5,608	179	5,787	5,249
Net (deficit) /surplus in year	141	(73)	68	538
Balance carried forward at 31 March 2022	<u>5,749</u>	<u>106</u>	<u>5,855</u>	<u>5,787</u>

This statement shows the total movement in accumulated funds during the year.

Mildmay Mission Hospital

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 March 2022

	Unrestricted	Restricted	Total Fund	Total Funds
	2022	2022	2022	2021
	£'000	£'000	£'000	£'000
INCOMING RESOURCES				
Donations, gifts and legacies	245	25	270	325
Activities in furtherance of the charity's objects:				
Contractual and grant income for providing healthcare in the UK	3,160	-	3,160	3,629
Contractual and grant income for providing healthcare and training internationally	-	437	437	565
Investment and interest income	-	-	-	-
Other income	8	-	8	6
Total incoming resources (Note 2)	<u>3,413</u>	<u>462</u>	<u>3,875</u>	<u>4,525</u>
RESOURCES EXPENDED				
Cost of generating funds:				
Fundraising and publicity costs	58	38	96	139
Charitable expenditure:				
UK residential healthcare	3,214	60	3,274	3,283
UK adult and children day-care services	-	-	-	-
Grant to Uganda – healthcare & training	-	-	-	-
International training and consultancy	-	437	437	565
Total expended resources (Note 3)	<u>3,272</u>	<u>535</u>	<u>3,807</u>	<u>3,987</u>
NET OPERATIONAL (OUTGOING)/INCOMING RESOURCES	141	(73)	68	538
Transfer between Funds	-	-	-	-
NET MOVEMENT IN FUNDS	141	(73)	68	538
Total funds brought forward at 1 April	5,608	179	5,787	5,249
Total funds carried forward at 31 March	<u><u>5,749</u></u>	<u><u>106</u></u>	<u><u>5,855</u></u>	<u><u>5,787</u></u>

All activities are continuing. The charity had no recognised gains or losses during the year other than those reflected in the above statement of financial activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

Mildmay Mission Hospital

CONSOLIDATED AND COMPANY BALANCE SHEET

At 31 March 2022

	Notes	Group 2022	MMH 2022	Group 2021	MMH 2021
		£'000	£'000	£'000	£'000
FIXED ASSETS					
Tangible assets	8	4,141	4,125	4,206	4,181
Investments	9	-	150	-	150
		<u>4,141</u>	<u>4,275</u>	<u>4,206</u>	<u>4,331</u>
CURRENT ASSETS					
Debtors	10	340	338	741	741
Cash	11	1,964	1,766	1,332	1,247
		<u>2,304</u>	<u>2,104</u>	<u>2,073</u>	<u>1,988</u>
CREDITORS: Amount falling due within one year	12	(590)	(524)	(492)	(532)
		<u>1,714</u>	<u>1,580</u>	<u>1,581</u>	<u>1,456</u>
NET CURRENT ASSETS		<u>1,714</u>	<u>1,580</u>	<u>1,581</u>	<u>1,456</u>
Total assets less current liabilities		<u>5,855</u>	<u>5,855</u>	<u>5,787</u>	<u>5,787</u>
RESERVES					
Unrestricted funds:					
General fund	14	1,608	1,624	1,402	1,427
Designated funds:	14	4,141	4,125	4,206	4,181
Total unrestricted funds		<u>5,749</u>	<u>5,749</u>	<u>5,608</u>	<u>5,608</u>
Restricted funds	13	106	106	179	179
Total funds	14	<u>5,855</u>	<u>5,855</u>	<u>5,787</u>	<u>5,787</u>

Approved by the Board of Trustees on 4th November 2022

and signed on its behalf by



John Richardson
Chair of Trustees

Mildmay Mission Hospital

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 March 2022

	Notes	2022 £'000	2021 £'000
Net cash inflow/(outflow) from operating activities	17(a)	677	200
Returns on investments and servicing of finance			
Interest received		-	-
Capital expenditure and financial investment			
Escrow account		-	1
Purchase of tangible fixed assets		(45)	(24)
		<u>632</u>	<u>177</u>
Increase (Decrease) in cash	17(b)	<u>632</u>	<u>177</u>

Mildmay Mission Hospital
Notes to the financial statements
For the year ended 31 March 2022 (continued)

1 ACCOUNTING POLICIES

(a) Accounting convention

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 (FRS102) '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 (FRS102) (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, with the exception of Investments which are included at market value.

No separate statement of financial activities is presented for the charity. The net incoming resources dealt within the charity's statement of financial activities for the year ended 31 March 2022 was £68k (2021: outgoing £538k), as shown in note 6 to the financial statements.

The Trustees have considered the basis of preparation of the financial statements and consider that in light of the forecast income and the effects of COVID 19 it is appropriate to prepare the financial statements on the going concern basis due a reasonable assessment of forth-coming income over the next year when balanced against planned spending commitments.

(b) Basis of consolidation

The financial statements include the accounts of Mildmay Mission Hospital and all its subsidiary undertakings. The subsidiaries are consolidated on a line by line basis.

(c) Fund accounting

Unrestricted funds

General funds

Revenue grants and other income and expenditure associated with the general operations of the charity are dealt with in the general fund. The amounts of expenditure shown for each activity within the general fund include directly attributable costs plus an allocation of indirect costs and overheads, apportioned on a basis consistent with use of the resources.

Designated funds

Funds which are set aside for specific purposes, either by contract or other decision of the trustees, and over which the trustees remain in control as to their use, are called designated funds.

Restricted funds

These comprise donations where the use has been specified by the donor.

(d) Appropriations from funds in respect of capital expenditure

Transfers are affected from the restricted fund to the designated fund in respect of assets acquired with these funds. Depreciation of those assets is borne by the designated fund.

Mildmay Mission Hospital
Notes to the financial statements
For the year ended 31 March 2022 (continued)

(e) Resources expended

Resources expended are accounted for on an accruals basis.

Costs of generating funds comprise costs directly attributable to raising voluntary income.

All charitable expenditure in furtherance of the charity's objectives relates to the provision of healthcare services under the contracts and related administrative costs.

Governance costs comprise the running costs of the charity, including any professional services required by the Trustees.

Costs are allocated on a direct method basis where possible. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of the resources.

(f) Donations and legacies

All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received.

(g) Depreciation

Recognition and measurement

Fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses.

Tangible fixed assets, other than freehold land, are depreciated on a straight line basis so as to take account of their estimated useful lives as follows:

Freehold buildings and leasehold improvements	50 years
Fixtures and fittings	10 years
Vehicles	5 years
Equipment	4 - 7 years

Assets are depreciated from the time at which they are brought into use.

Assets with a value of less than £1,000 are not capitalised. In addition, computer equipment with an expected life of less than three years is written off in the year of acquisition.

(h) Operating leases

Rentals payable under operating leases are charged on a straight-line basis over the term of the lease.

(i) Pension contributions

Pension contributions are charged to the statement of financial activities on an accruals basis (note 7).

Mildmay Mission Hospital
Notes to the financial statements
For the year ended 31 March 2022 (continued)

(j) Investments

Investments are stated at market value at the balance sheet date. Investment income is accounted for on an accruals basis.

(k) Foreign currencies

Assets, liabilities, revenues and costs expressed in foreign currencies are translated into sterling at rates of exchange ruling on the last day of the month in which the transactions occur, except for monetary assets and liabilities, which are translated at the rate ruling at the balance sheet date. Where operations are taking place in a hyper-inflationary economy, transactions are translated into sterling at rates of exchange equating to the rates of exchange received on conversion of sterling into the foreign currency.

(l) Going Concern

As described in the Trustees' report, the charity is no longer experiencing shortfalls in operating income and throughout the year has operated with a surplus. This arises from the demand for its Homeless Step-down Care services provided in the London that began in April 2020. This has been complemented by additional income from fund-raising campaigns, together with regular individual giving and other sources of finance, that have continued to support this position. HIV services continue to reduce in demand, however during peak periods of the COVID pandemic we see this reversed. The cumulative effect of these circumstances puts the charity in a much stronger position going forward. The trustees therefore believe that, at present, it is appropriate to prepare the financial statements on a going concern basis.

Mildmay Mission Hospital
Notes to the financial statements
For the year ended 31 March 2022 (continued)

2 INCOMING RESOURCES	Mildmay International Ltd	Mildmay Mission Hospital	Total 2022	Total 2021	
	£'000	£'000	£'000	£'000	
Donations, grants and gifts	-	255	255	265	
Legacies	-	15	15	60	
NHS Contract Income	-	3,160	3,160	3,629	
International contract income	437	-	437	565	
Investment and interest income	-	-	-	-	
Other income	-	8	8	6	
	<u>437</u>	<u>3,438</u>	<u>3,875</u>	<u>4,525</u>	
Split by geographical region:					
UK	-	3,438	3,438	3,960	
Overseas	437	-	437	565	
	<u>437</u>	<u>3,438</u>	<u>3,875</u>	<u>4,525</u>	
Split by funds:					
Unrestricted	-	3,413	3,413	3,908	
Restricted	437	25	462	617	
	<u>437</u>	<u>3,438</u>	<u>3,875</u>	<u>4,525</u>	
3 RESOURCES EXPENDED					
	Staff Costs £'000	Direct Costs £'000	Allocated Costs £'000	Total 2022 £'000	Total 2021 £'000
Fundraising and publicity costs	51	16	29	96	139
UK residential healthcare	1,144	696	1,434	3,274	3,283
UK adult day-care services	-	-	-	-	-
International Alliance Support	-	-	-	-	-
The Mildmay Centre, Uganda	-	-	-	-	-
Training & Consultancy - Kenya	111	326	-	437	565
Support costs	599	864	(1,463)	-	-
	<u>1,905</u>	<u>1,902</u>	<u>-</u>	<u>3,807</u>	<u>3,987</u>

Mildmay Mission Hospital
Notes to the financial statements
For the year ended 31 March 2022 (continued)

3 RESOURCES EXPENDED (cont)

<u>Support Costs Comprise:</u>	Staff Costs £'000	Direct Costs £'000	Allocated Costs £'000	Total 2022 £'000	Total 2021 £'000
Human Resources	67	23		90	148
Information Technology	-	87		87	31
Other Services	241	127		368	221
Building Services	222	494		716	662
Finance	68	34		103	82
Depreciation	-	99		99	92
	599	864		1,463	1,236
	599	864		1,463	1,236

The above costs include:	2022 £'000	2021 £'000
Auditors' remuneration:		
Audit of charity	17	13
Audit of overseas projects	5	3
Depreciation	99	92
Loss on Disposal	-	-
Exchange rate loss/(profit)	4	4

4 STAFF COSTS

	2022 £'000	2021 £'000
Wages and salaries	1,482	1,467
Social security costs	143	130
Other pension costs	168	82
Agency fees and other staff related costs	767	86
	2,560	1,765
	2,560	1,765

To

The number of staff whose emoluments for the year exceeded £60,000 was:

	2022 Number	2021 Number
£60,001 - £ 70,000	1	1
£90,001 - £100,000	1	1
	2	2
	2	2

The pension contributions made by the employer on behalf of the 2 employee above was £28,048 (2021: £25,035).

Mildmay Mission Hospital
Notes to the financial statements
For the year ended 31 March 2022 (continued)

4 STAFF COSTS (cont)

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

	2022 Number	2021 Number
Patient care – Mildmay Hospital UK	66	72
Administration and support – Mildmay Hospital UK	4	4
Patient care and training – International	10	5
Administration and support – International	4	4
Fundraising and publicity	1	1
Governance and administration	1	1
	<u>86</u>	<u>87</u>

Mildmay Mission Hospital is also supported by volunteers who provide support for the patient care, administration and fundraising activities of the charity.

5 DIRECTORS' (TRUSTEES') EMOLUMENTS

No emoluments were paid to directors (i.e. trustees) by the charity (2021: Nil), and there was no related party transaction as outlined in Note 20.

Expenses totalling £1,339 was paid to 2 trustees for travel and subsistence costs (2021: £1,008 to 5 trustees).

No emoluments or pensions contributions were made to directors of the company for services as directors of subsidiary undertakings.

6 RESULTS OF MILD MAY MISSION HOSPITAL

As permitted under the Companies Act 2006, the charity has not presented its own SOFA. The net outgoing resources dealt with in the financial statements of the charity are a surplus of £539k (2020: £539k surplus). The results of the charity and its one subsidiary are summarised below.

	Mildmay Mission Hospital £'000	Mildmay Internatio nal Ltd £'000	Total 2022 £'000	Total 2021 £'000
Total income	3,438	437	3,875	4,525
Total expenditure	(3,370)	(437)	(3,807)	(3,987)
	<u>68</u>	<u>-</u>	<u>68</u>	<u>538</u>
Mildmay Mission Hospital Funding	<u>68</u>	<u>-</u>	<u>68</u>	<u>538</u>
	<u><u>68</u></u>	<u><u>-</u></u>	<u><u>68</u></u>	<u><u>538</u></u>

The net assets in Mildmay International Ltd at 31 March 2022 was £150,100 (see note 18) (2021: £150,100).

Mildmay Mission Hospital
Notes to the financial statements
For the year ended 31 March 2022 (continued)

7 PENSIONS

The company is an approved organisation, for the purposes of the National Health Service (Superannuation) Regulations 1980, making contributions to the National Health Service Pension Scheme. The Scheme is regarded as a statutory scheme by HM Revenue & Customs and is covered by section 22 of chapter 23 of the 1970 Finance Act. The contributions of the employer and employee are 14.38% and 5.6 – 13.5% respectively. As a statutory scheme, benefits are fully guaranteed by the Government. Contributions from both members and employers are paid to NHS Pensions, which meets the cost of the scheme benefits.

The company also operates a defined contribution scheme for those UK employees who are not eligible to join the NHS scheme. Employer contributions match the employees' contribution, up to a maximum of 7% of pensionable salary.

8 TANGIBLE FIXED ASSETS

Group	Vehicle	Building	Fixtures	Equipment	Total
	£'000	£'000	and Fittings	£'000	£'000
COST			£'000		
At 1 April 2021	58	4,743	38	138	4,977
Additions	-	-	-	44	44
Disposals	-	-	-	-	-
At 31 March 2022	58	4,743	38	182	5,021
DEPRECIATION					
At 1 April 2021	(47)	(597)	(16)	(111)	(771)
Charge for the year	-	(85)	-	(14)	(99)
Exchange rate variance	(10)	-	-	-	(10)
At 31 March 2022	(57)	(682)	(16)	(125)	(880)
NET BOOK VALUE					
At 31 March 2022	1	4,061	22	57	4,141
At 31 March 2021	11	4,146	22	21	4,206
Split of assets held by country					
Kenya	1	-	9	6	16
UK	-	4,061	13	51	4,125
Net book value	1	4,061	22	57	4,141

Mildmay Mission Hospital
Notes to the financial statements
For the year ended 31 March 2022 (continued)

9 INVESTMENTS

	Group 2022 £'000	MMH 2022 £'000	Group 2021 £'000	MMH 2021 £'000
Balance at 31 March 2022	-	150	-	150

Included in the investments of Mildmay Mission Hospital itself is its investment in one of its subsidiary, Mildmay International Limited, of 150,100 £1 ordinary shares acquired at par at a cost of £150,100.

10 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2022 £'000	MMH 2022 £'000	Group 2021 £'000	MMH 2021 £'000
Other debtors	334	332	740	740
Prepayments and accrued income	6	6	1	1
	<u>340</u>	<u>338</u>	<u>741</u>	<u>741</u>

11 CASH

	Group 2022 £'000	MMH 2022 £'000	Group 2021 £'000	MMH 2021 £'000
Cash at bank and in hand	1,964	1,766	1,332	1,247
	<u>1,964</u>	<u>1,766</u>	<u>1,332</u>	<u>1,247</u>
Unrestricted cash and deposit balances	1,858	1,660	1,280	1,247
Restricted cash and deposit balances	106	106	52	-
	<u>1,964</u>	<u>1,766</u>	<u>1,332</u>	<u>1,247</u>

Mildmay Mission Hospital
Notes to the financial statements
For the year ended 31 March 2022 (continued)

12 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2022	MMH 2022	Group 2021	MMH 2021
	£'000	£'000	£'000	£'000
Sundry creditors	77	71	85	85
Tax and social security creditors	72	69	82	76
Amounts owed to Mildmay International Limited	-	108	-	107
Accruals and deferred income	441	276	325	264
	<u>590</u>	<u>524</u>	<u>492</u>	<u>532</u>

13 RESTRICTED FUNDS

	Balance 1 April 2021	Incoming Resources	Expenditure	Transfer between Funds	Balance 31 March 2022
	£'000	£'000	£'000	£'000	£'000
Contractual, grant & training income	<u>179</u>	<u>462</u>	<u>(535)</u>	<u>-</u>	<u>106</u>

At 31 March 2022 the restricted funds are made up of tangible fixed assets in Kenya.

Other restricted funds mainly include net current assets held in Kenya and UK.

Mildmay Mission Hospital
Notes to the financial statements
For the year ended 31 March 2022 (continued)

14 ANALYSIS OF TOTAL FUNDS

	General Fund £'000	Designated Funds £'000	Restricted Funds £'000	Total Funds £'000
Fixed assets				
Tangible assets	-	4,141	-	4,141
Escrow account	-	-	-	-
Cash	1,858	-	106	1,964
Other current assets	340	-	-	340
Current liabilities	(590)	-	-	(590)
Total funds	<u>1,608</u>	<u>4,141</u>	<u>106</u>	<u>5,855</u>

The designated funds represent fixed assets and monies set aside for the build of the new UK hospital.

15 FINANCIAL COMMITMENTS

At 31 March 2022 there were no capital expenditure commitments.

	Plant and machinery	
	2022	2021
	£'000	£'000
Operating leases which expire:		
Within 1 to 2 years	0	0
	<u>0</u>	<u>0</u>

16 INCORPORATION

Mildmay Mission Hospital is company limited by guarantee and does not have a share capital.

Each of the members of the company guarantees to pay a sum not exceeding £1 in the event of a winding up of the company. At 31 March 2022 there were 40 members of the company (2021: 42).

Mildmay Mission Hospital
Notes to the financial statements
For the year ended 31 March 2022 (continued)

17 NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

(a) Reconciliation of operating (deficit) to net cash inflow from operating activities of the group	2022	2021
	£'000	£'000
Net incoming resources	68	538
Less interest received	-	-
Depreciation	109	97
Loss on disposal of tangible fixed assets	-	-
Decrease/(Increase) in debtors	401	(475)
(Decrease)/Increase in creditors	99	40
	<u>677</u>	<u>200</u>
 (b) Analysis of change in cash and cash equivalents during the year		
Balance at 1 April 2021	1,332	1,155
Net cash inflow as per the consolidated cash flow statement	632	177
	<u>1,964</u>	<u>1,332</u>

18 SUBSIDIARIES

Mildmay Mission Hospital has one wholly owned subsidiary Mildmay International Ltd.

Mildmay International Ltd has a share capital of 150,100 ordinary shares of £1 each and manages all the international business of Mildmay Mission Hospital.

Mildmay International Limited has not been audited under the exemption of s479a of the Companies Act 2006.

19 SEGMENTAL DISCLOSURE

The income of Mildmay International Ltd is almost entirely derived from services provided in East Africa.

All other income of the Group is derived from services provided in the UK.

The assets disclosed in the financial statements of Mildmay International Ltd are:

	2022	2021
	£'000	£'000
Net assets	150	150
	<u>150</u>	<u>150</u>

In addition to the net assets disclosed above Mildmay Mission Hospital holds assets with a net book value of £nil (2020: £nil) that are utilised by Mildmay International Ltd.

Mildmay Mission Hospital
Notes to the financial statements
For the year ended 31 March 2022 (continued)

20 RELATED PARTY TRANSACTIONS

There were no related party transactions during the year (2021: £0).

Mildmay Mission Hospital
Notes to the financial statements
For the year ended 31 March 2022 (continued)

21. CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 March 2021

	Unrestricted	Restricted	Total Funds	Total Funds
	2021	2021	2021	2020
	£'000	£'000	£'000	£'000
INCOMING RESOURCES				
Donations, gifts and legacies	273	52	325	407
Activities in furtherance of the charity's objects:				
Contractual and grant income for providing healthcare in the UK	3,629	-	3,629	2,037
Contractual and grant income for providing healthcare and training internationally	-	565	565	484
Investment and interest income	-	-	-	6
Other income	6	-	6	10
Total incoming resources (Note 2)	<u>3,908</u>	<u>617</u>	<u>4,525</u>	<u>2,944</u>
RESOURCES EXPENDED				
Cost of generating funds:				
Fundraising and publicity costs	139	-	139	166
Charitable expenditure:				
UK residential healthcare	3,283	-	3,283	2,436
UK adult and children day-care services	-	-	-	254
Grant to Uganda – healthcare & training	-	-	-	12
International training and consultancy	-	565	565	526
Total expended resources (Note 3)	<u>3,422</u>	<u>565</u>	<u>3,987</u>	<u>3,394</u>
NET OPERATIONAL (OUTGOING)/INCOMING RESOURCES	486	52	538	(450)
Transfer between Funds	-	-	-	-
NET MOVEMENT IN FUNDS	486	52	538	(450)
Total funds brought forward at 1 April	5,122	127	5,249	5,699
Total funds carried forward at 31 March	<u><u>5,608</u></u>	<u><u>179</u></u>	<u><u>5,787</u></u>	<u><u>5,249</u></u>