

**REGISTERED CHARITY NUMBER: 1201828**

Report of the Trustees and  
Financial Statements for the Year Ended 31 December 2023  
for

The Hereford Cathedral Almshouses Charity  
(Charitable Incorporated Organisation)

**THE HEREFORD CATHEDRAL ALMSHOUSES CHARITY**

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FOR THE YEAR ENDED 31 DECEMBER 2023**

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# THE HEREFORD CATHEDRAL ALMSHOUSES CHARITY

## REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2023

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The trustees present their report with the financial statements of the Charity for the year ended 31 December 2023. The Charity was registered with the Charity Commission on 3 February 2023 as a Charitable Incorporated Organisation (CIO) which will in due course be merged with the Hereford Cathedral Almshouse Charity of St Katherine and St Ethelbert (registered charity number 218575), with the intention of taking over the activities of that charity.

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) (second edition, 1 January 2019).

### OBJECTIVES AND ACTIVITIES

#### The objectives of the Charity

In accordance with its Constitution, the objects of the CIO are

(a) the relief of poverty by the provision of almshouse accommodation for poor persons with a preference for persons resident in the Diocese of Hereford, and

(b) relieving either generally or individually persons who are in need, hardship or distress by providing grants, items and services to individuals in need and/or charities or other organisations working to support such persons.

#### Background and principal activities

At the end of 2011, the charities of Saint Katherine's Hospital and The Hospital of Saint Ethelbert merged into one charity, Hereford Cathedral Almshouse Charity of St Katherine and St Ethelbert (registered charity number 218575). The trustees believed the merger of the two charities would provide sufficient combined invested funds to continue the process of providing supported accommodation for elderly and vulnerable people. The Trustee of the combined charity was the Chapter of Hereford Cathedral.

During 2022-2023 work was undertaken to set up this Charitable Incorporated Organisation (CIO), known as the Hereford Cathedral Almshouses Charity, and to prepare for a merger and transfer of assets, liabilities and all operations from the Hereford Cathedral Almshouse Charity of St Katherine and St Ethelbert (registered charity number 218575). The intention of setting up the new CIO was to allow expansion of the trustee body to include more specialised skills, to enable the charity's activities to extend to new or other almshouses, and to improve governance by providing a degree of separation from the previous charity's sole Trustee, the Chapter of Hereford Cathedral, which had itself also registered as a charity during the year.

The new CIO nevertheless retains close links with Hereford Cathedral, an active Christian church, and is run and governed by Christians motivated by the gospel to provide for those in need. Beneficiaries are not necessarily required to be people of faith but the ethos and operation of the Charity are rooted in the gospel of Jesus Christ.

There are 21 almshouse units available for occupation in Hereford and Ledbury. A small monthly charge is made for the occupation of the almshouses which, together with the property and investment income, allows the trustees to provide a high level of maintenance of the building and almshouses, as well as providing other support for the residents. Vacancies for almshouses are advertised locally, and applicants are assessed by the trustees against a number of criteria, the most significant of which are financial need and a history of local service to the community.

The trustees responded to an approach by the trustees of Coningsby's Hospital, another Hereford almshouse charity with seven almshouse units, and considered a request that the charity be merged with the Hereford Cathedral Almshouses Charity. The merger was agreed in principle and the Coningsby's Hospital trustees have begun work towards Charity Commission approval for the merger. This work was still in progress at the end of the year.

#### Public Benefit

The Charity aims to alleviate poverty by the provision of almshouse accommodation and in relieving either generally or individually persons who are in need, hardship or distress.

#### Grant-making

Grants are made to other institutions or individuals where the need is consistent with the Charity's objects.

### FINANCIAL REVIEW

#### Review of activities during the year

The Charity was registered on 3 February 2023 and the trustees met on 24 March, 14 November and 18 November 2023 to consider matters related to the transfer of activities and assets from the previous charity. Documentation

was prepared for the merger of the two charities and the subsequent transfer of assets. Due primarily to delays in opening a bank account for the CIO, those documents were eventually signed after the year-end on 23 January 2024, and no assets were transferred during the financial year to 31 December 2023.

The former Hereford Cathedral Almshouse Charity of St Katherine and St Ethelbert was closed by the Charity Commission on 17 September 2024.

### **Funds**

The Statement of Financial Activities shows that during the year to 31 December 2024 the Charity had no income and expenditure, nor any funds.

### **Investment policy and performance**

During the financial year to 31 December 2023 the Charity held no cash, property or investments.

### **Reserves policy**

The Charity will in future maintain a reserves policy to ensure sufficient funding for future repairs necessary to maintain the historic almshouse accommodation and for any improvements to the Charity's investment properties necessary to secure increasing returns on investment. Consideration is being given to the options for best use of any future funds to further the Charity's objectives beyond the annual expenditure of the income.

### **Risk & Risk Management**

In determining the charitable activity undertaken the trustees have had due regard to the guidance of the Charity Commission as required under section 17 of the Charities Act 2011.

Risk management policies from the merging registered charity will be adopted in full from the date of the merger.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Governing document**

The Charity is controlled by its governing document, a Constitution dated 3 February 2023, and is a charitable incorporated organisation.

### **Recruitment and appointment of new trustees**

Appointed trustees are recruited through open advertisement in the local community. Three members of the Chapter of Hereford Cathedral are automatically appointed ex-officio trustees of the Charity.

### **Organisational structure**

The Charity is managed by a Board of Trustees.

The trustees are responsible for the overall strategy and financial commitments of the Charity and are supported in this by staff provided by Hereford Cathedral, and an Almshouses Liaison Officer for the Ledbury almshouses, who oversee the day-to-day operations of the Charity at that location.

### **Induction and training of new trustees**

New trustees are briefed on their duties as trustees as appropriate, read Charity Commission guidance and attend courses covering the responsibilities of trustees.

### **Related parties**

The Chapter of Hereford Cathedral (registered charity no. 1205397) shares a minority of trustees with the Charity and provides the Charity with office, fabric and management support under a Services Agreement.

### **Rent Policy**

The Charity does not charge rent, but applies a Monthly Maintenance Payment charge for residents. The trustees will consider and agree the charges annually for each forthcoming year having regard to inflation and other relevant factors. Residents have already been informed of planned increases in the Monthly Maintenance Payment paid to the Charity up to the end of 2024. These were communicated to residents in 2020 by the former charity to enable them to plan accordingly and apply for housing benefit where appropriate.

### **Repairs and Maintenance Policy**

Following each quinquennial review for all properties, the trustees will consider and agree priorities and formulate a works programme to carry out the necessary repairs. Work is ongoing to improve the drainage and structures at St Katherine's Hospital, to provide a safer and more comfortable environment for residents.

# THE HEREFORD CATHEDRAL ALMSHOUSES CHARITY

## REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2023

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### REFERENCE AND ADMINISTRATIVE DETAILS

**Registered Charity number**

1201828

**Principal address**

5 College Cloisters  
The Close  
Hereford  
Herefordshire  
HR1 2NG

**Trustees**

The Trustees of the Charity during the year are listed below:

The Very Revd S Brown

The Revd Canon A Piper

Canon Dr D Jones

Lady Susan Darnley

(until 28 September 2023)

Mrs Julia Steels

Mr Jeremy Wilding

Mrs Barbara Gratton

**Auditors**

Hazlewoods LLP  
Staverton Court  
Staverton  
Cheltenham  
GL51 0UX

**Solicitors**

Burges Salmon LLP  
One Glass Wharf  
Bristol, BS2 0ZX

**Bankers**

Lloyds Bank plc  
8 High Town  
Hereford, HR1 2AE

**Investment Advisers**

Rathbone Investment Management Ltd  
8 Finsbury Circus  
London, EC2M 7AZ

**Investment Powers**

The trustees have wide powers of investment.

# THE HEREFORD CATHEDRAL ALMSHOUSES CHARITY

## REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2023

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### STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees 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), including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charity 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 Charities SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity 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 charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on 28 May 2024 and signed on its behalf by:



The Very Revd S Brown – on behalf of the Trustees

THE HEREFORD CATHEDRAL ALMSHOUSES CHARITY

STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	31.12.23 Total Unrestricted Funds £
<b>INCOME AND ENDOWMENTS FROM:</b>		
<b>Charitable activities</b>		
Investment income		0
Social housing		0
<b>Total</b>		<u>0</u>
<b>EXPENDITURE ON:</b>		
Raising funds		0
<b>Charitable activities</b>		
Social housing		0
<b>Total</b>		<u>0</u>
Deficit before other gains/(losses)		0
Net (loss)/gain on investments		0
Net (loss)/gain on investment property		0
<b>NET (EXPENDITURE)/INCOME</b>		<u>0</u>
<b>RECONCILIATION OF FUNDS</b>		
Total funds brought forward		0
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><u>0</u></u>

# THE HEREFORD CATHEDRAL ALMSHOUSES CHARITY

## BALANCE SHEET AT 31 DECEMBER 2023

	Notes	31.12.23 £
<b>FIXED ASSETS</b>		
Tangible assets		0
<b>INVESTMENTS</b>		
Investments		0
Investment property		0
		<hr/> 0
<b>CURRENT ASSETS</b>		
Debtors		0
Cash at bank		0
		<hr/> 0
<b>CREDITORS</b>		
Amounts falling due within one year		0
		<hr/> 0
<b>NET CURRENT ASSETS</b>		<hr/> 0
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<hr/> 0
<b>NET ASSETS</b>		<hr/> <hr/> 0
<b>FUNDS</b>		
Unrestricted funds		0
		<hr/> 0
<b>TOTAL FUNDS</b>		<hr/> <hr/> 0

The notes form part of these financial statements.

The financial statements were approved by the Board of Trustees on 28<sup>th</sup> May 2024 and were signed on its behalf by:

*Sarah Brown.*

The Very Revd S Brown - on behalf of the Trustees



# THE HEREFORD CATHEDRAL ALMSHOUSES CHARITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

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### I. ACCOUNTING POLICIES

#### **Basis of preparing the financial statements**

The financial statements of the Charity, 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 Charities Act 2011. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value, as modified by the revaluation of certain assets. However during the financial year to 31 December 2023 the Charity had no income, expenses, assets or liabilities. The financial statements have not been audited.

#### **Going concern**

Post year-end, on 23 January 2024, the Charity agreed to merge with the Hereford Cathedral Almshouse Charity of St Katherine and St Ethelbert (registered charity number 218575) and began the process of transferring assets and activities from that charity. Accordingly, the financial statements have been prepared on a basis other than going concern.

#### **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.

#### **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.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Charity and include the audit fees and costs linked to the strategic management of the Charity.

Support costs are general and overhead costs which are not specific to governance, costs of generating funds or direct charitable activities but which enable these activities to be undertaken. These costs include office management costs and are allocated 50:50 over costs of generating funds and charitable activities based on time spent supporting these functions.

Grants offered subject to conditions which have not been met at the year-end date are noted as a commitment but not accrued as expenditure.

#### **Tangible fixed assets**

Where housing property has been financed wholly or partly by housing association or similar grants, the cost of property has been reduced by the amount of the grant received.

No provisions for depreciation of housing and non-housing properties have been made.

Section 17 of FRS 102 requires all non-investment properties to be depreciated over their anticipated useful lives. However, the housing properties are not depreciated because their useful lives are considered to be well in excess of 100 years and any depreciation charges would be immaterial. To introduce a depreciation charge would not add to the true and fair view presented in the accounts.

Non-housing properties are classed as investment properties and are shown at their market value as at the balance sheet date.

## THE HEREFORD CATHEDRAL ALMSHOUSES CHARITY

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 DECEMBER 2023

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#### 1. ACCOUNTING POLICIES - continued

##### **Investments**

Investments are stated at market value at the balance sheet date. Any gain or loss on revaluation or sale is taken to the Statement of Financial Activities (SOFA).

##### **Cash at bank and in hand**

Cash at bank and cash in hand includes cash and short-term investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. The Charity was not financially active until 2024 and its bank account was not opened until January 2024.

##### **Debtors**

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

##### **Creditors and provisions**

Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount.

##### **Taxation**

The Charity is not generally liable to corporation tax on its surplus. The Charity is not registered for Value Added Tax purposes.

##### **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.

#### 2. RELATED PARTY DISCLOSURES

Three trustees of the Charity are also members of the Chapter of Hereford Cathedral, which itself is a charity.

#### 3. POST BALANCE SHEET EVENTS

Post year-end, on 23 January 2024, the Charity agreed to merge this new CIO with the Hereford Cathedral Almshouse Charity of St Katherine and St Ethelbert (registered charity number 218757) and began the process of transferring assets and activities from that charity. Once the transfer of assets and activities was complete, the latter charity was dissolved and removed from the Register of Charities on 17 September 2024, and the merger registered with the Charity Commission.