

**REPORT OF THE TRUSTEES AND
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025
FOR
HOSPITAL OF THE BLESSED MARY**

Lewis Brownlee (Chichester) Limited
Statutory Auditors
Appledram Barns
Birdham Road
Chichester
West Sussex
PO20 7EQ

HOSPITAL OF THE BLESSED MARY
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FOR THE YEAR ENDED 31 DECEMBER 2025

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HOSPITAL OF THE BLESSED MARY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2025

The trustees present their report with the financial statements of the charity for the year ended 31 December 2025. 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

Objectives and aims

(a) To provide Almshouses currently St Mary's Hospital, the married quarters, St Mary's Lodge, St Mary's Courtyard and the Dears Almshouses.

(b) To provide pensions for residents and other local persons of good character in need.

Constraints

(a) The first charge on the income of the Charity shall be the cost of maintaining the property.

(b) Any properties not required to be retained or occupied for the purpose of the Charity shall not be let for less than the best rent available.

Policy

It is the policy of the Trustees to assist poor persons of good character.

Public benefit

The trustees have considered the Charity Commission guidance on public benefit and consider that the objectives and activities of the Charity provide public benefit in that it provides good quality, affordable sheltered accommodation and a small measure of financial support to elderly people of limited financial means.

HOSPITAL OF THE BLESSED MARY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2025

ACHIEVEMENTS AND PERFORMANCE

2025 Review

The Hospital of the Blessed Mary (St Mary's) was founded as medieval hospital providing accommodation and support to the poor. Its contemporary objects remain to relieve poverty chiefly through the provision of almshouse accommodation in Chichester.

2025 was a significant year for St Mary's in several respects. Whilst continuing to be driven by a commitment to Christian Charity, established over many centuries, important steps have been taken to modernise and strengthen the governance of the Charity, consistent with contemporary needs.

Notably, a key decision was made to clarify the objects of the Charity and to modernise its legal structure, with the intention of forming a new Charitable Incorporated Organisation (CIO). Staff and Trustees have worked closely with our legal advisors, Penningtons Manches Cooper, and it is anticipated that the new CIO will be approved and registered by the Charity Commission during 2026.

St Mary's is chaired by the Dean of Chichester, the Very Reverend Edward Dowler, who is supported by Howard Castle-Smith the Vice Chairman. Several steps have been taken to further strengthen the role of the Board during the year. Three new sub-committees were established. The intention being to improve Board level strategic oversight, whilst retaining oversight of the more operational risks involving residents, property and finance by sub-committees. Antoinette Hayes and Reverend Canon Jack Dunn resigned as Trustees during the year. The Board is grateful for their service to the Charity. Three new Trustees were appointed: Jessica Marchant and Karl Roberts, being directly appointed by the Charity, and Reverend Canon Paul Doick, nominated to the Board by the Chapter of Chichester Cathedral.

St Mary's staff team increased from three to four - the Clerk, Scheme Manager, Custos (Chaplain) and Finance Officer. The latter post, created in 2025, was to allow the Charity to bring day to day financial management 'in house'. These roles are part-time.

St Mary's income is mostly generated by rents from its property portfolio, all of which are in central Chichester. The Charity spent heavily on maintenance and improvements during the year. Major projects included:

- renovation of several heritage properties in Little London and St Pancras
- roof renewal and external decorations in Little London and St Mary's Lodge
- upgrading Fire Safety and other security features throughout the almshouse portfolio
- conversion of an existing guest room to provide an additional almshouse letting.

Notwithstanding, the loss of rent incurred whilst these improvements were made, income from residential lettings grew during the year. Income from charges to residents increased in line with a long-term plan to bring Weekly Maintenance Contributions into line with those of other social housing providers, whilst remaining affordable to residents on low incomes.

Income from the Charity's commercial lettings fell during the year due to the surrender of the lease by one of our four tenants. We are actively seeking a new tenant for this property.

Demand for the Charity's 40 almshouses is strong, both from individual applicants and from the local housing authority who frequently seek to refer more vulnerable applicants to us for accommodation. Having had few vacancies during 2023-24, four new appointments were made to the almshouses in 2025. These new residents have settled in well and speak highly of their experience in moving to their new home.

Beyond the Charity's existing almshouses, Trustees have taken steps to widen the St Mary's activities in line with its charitable objectives, by working with other partners to relieve need within our existing area of benefit. Towards this end, St Mary's provided a loan of £815,000 to the Westbourne Community Trust. This enabled it to build and let 12 new homes at social rent to local people in the village of Westbourne. This scheme was the first of its kind in the District of Chichester and in November was formally opened by Chichester's MP, Jess Brown-Fuller. This provided a proud moment for the Charity, establishing a link between Chichester's oldest social housing provider, with its origins in the twelfth century, and its newest, founded only three years ago.

HOSPITAL OF THE BLESSED MARY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2025

FINANCIAL REVIEW

Financial position

Total income decreased in the year from £1,075,963 to £1,069,360 this was due to a commercial property becoming vacant. Total expenditure increased from £1,074,3271 to £1,843,889. This was due to increased spend on property projects, leaving an operating deficit of £774,529. There were net unrealised losses on investments of £105,295 and a net gain on defined pensions of £11,442. Unrealised gain on the revaluation of the property portfolio amounted to £1,602,500. The overall balance of Hospital funds stands at £26,989,213 compared to the previous year's total of £26,255,095.

Investment Portfolio

St Mary's financial investments are outsourced and managed by CCLA and overseen by a Finance sub-committee. As at 31st December 2025 the portfolio contained a mix of equities, bonds and cash with a value of £1,741,851.

Reserves policy

The Trustees have examined the requirements for reserves in the light of the main risks to the charity. The Trustees do not consider it necessary, at this time, to have an established policy for reserves as they consider the funds generated from income producing investments is sufficient to cover operating and governance costs and access to investments can be gained at short notice.

FUTURE PLANS

As indicated previously, the intention of Trustees is to form a new Charitable Incorporated Organisation ("CIO") during 2026. Following a period of transition the existing charity will be wound up and the work of the charity will be continued by the new CIO structure.

The new CIO will continue to meet its charitable objectives through the provision of almshouses to people in need.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The foundation date of the Hospital is not known, though it reputedly came into existence in the second half of the 12th Century. The present Hospital building dates from about 1290.

The Hospital is governed by a scheme of the Charity Commissioners dated 4th November 1898, which was revised on 17th February 1905, 13th February 1987, 8th August 1991, 2nd January 1997, 20th February 2018 and 26th June 2018. The Trustees of the Hospital and its endowment are drawn from the Chapter of Chichester Cathedral and from other local individuals with knowledge or experience relevant to an almshouse charity.

Induction and training of new trustees

Upon appointment, each new Trustee is made aware of their legal responsibilities and of their role in the governance of the Charity. Regular training is provided to Trustees. This includes updating their knowledge and understanding regarding regulatory and legal development affecting their responsibilities as Trustees and the governance of the Charity.

Risk management

The Charity relies on 3 main income streams to support its aims:

- 1) Residential lets
- 2) Commercial lets
- 3) Investment income

Chichester is a relatively affluent area, and the residential market is buoyant especially for quality lets such as the ones that St Mary's own.

Three of St Mary's four commercial properties are let to tenants on good covenants. A tenant for the fourth property, currently unlet, is being sought which reflects the challenging nature of the high street

Health and Safety risks are managed, and a full review was undertaken by third party in the previous reporting period.

HOSPITAL OF THE BLESSED MARY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2025

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

202631

Principal address

St Mary's Almhouses
St Martins Square
Chichester
West Sussex
PO19 1HR

Trustees

The Very Reverend E Dowler (Chairman)
Mr H Castle-Smith (Vice Chairman)
The Reverend P Doick - appointed 03.12.2025
The Reverend J Dunn - resigned 31.07.2025
Mr S Dyson
Mrs A Hayes - resigned 12.04.2025
Mr M Howard
Miss S Hull
Ms J Marchant - appointed 03.12.2025
Mr D Parfitt
Mr K Roberts - appointed 03.12.2025
Mrs R Taunt

Auditors

Lewis Brownlee (Chichester) Limited
Chartered Accountants
Statutory Auditors
Appledram Barns
Birdham Road
Chichester
West Sussex
PO20 7EQ

Solicitors

Irwin Mitchell
Thomas Eggar House
Friary Lane
Chichester
West Sussex
PO19 1UF

Penningtons Manches Cooper
125 Wood Street
London
EC2V 7AW

Bankers

NatWest Bank Plc
5 East Street
Chichester
West Sussex
PO19 1HH

Scheme Manager

Mrs Sue Porter

Clerk to the Trustees and Administrator

Mr Ivan Western

HOSPITAL OF THE BLESSED MARY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2025

TRUSTEES' RESPONSIBILITY STATEMENT

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).

Charity law requires the trustees to prepare financial statements for each financial year. Under that law, the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under charity law the trustees must not approve the financial statements unless they are satisfied that they 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;
- 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 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 and The Charity (Accounts and Reports) Regulations 2008. 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 24/4/2026 and signed on its behalf by:



.....
Mr H Castle-Smith - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF HOSPITAL OF THE BLESSED MARY

Opinion

We have audited the financial statements of Hospital of the Blessed Mary (the 'charity') for the year ended 31 December 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the 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 charity's affairs as at 31 December 2025 and of its incoming resources and application of resources, 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 Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the 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 charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the 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.

Matters on which we are required to report by exception

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

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

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF HOSPITAL OF THE BLESSED MARY

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the trustees are responsible for the preparation of the financial statements which 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with trustees and other management, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including legislation such as the Charities Act 2011;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence, where applicable; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with relevant regulators and the charity's legal advisors, where applicable.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
HOSPITAL OF THE BLESSED MARY**

Our responsibilities for the audit of the financial statements

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.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Lewis Brownlee (Chichester) Ltd

Lewis Brownlee (Chichester) Limited
Statutory Auditors
Appledram Barns
Birdham Road
Chichester
West Sussex
PO20 7EQ

Date: *13 May 2026*

HOSPITAL OF THE BLESSED MARY
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2025

		2025 Unrestricted funds £	2024 Total funds £
INCOME AND ENDOWMENTS FROM	Notes		
Donations and legacies	2	261,335	204,692
Investment income	3	808,025	871,271
Total		<u>1,069,360</u>	<u>1,075,963</u>
EXPENDITURE ON			
Charitable activities			
Investment and property repairs	4	795,674	218,449
Almshouses	5	1,048,215	855,878
Total		<u>1,843,889</u>	<u>1,074,327</u>
Net gains/(losses) on investments		<u>(105,295)</u>	82,609
NET INCOME		(879,824)	84,245
Other recognised gains/(losses)			
Gains on revaluation of fixed assets		1,602,500	-
Actuarial gains on defined benefit schemes		11,442	-
Net movement in funds		734,118	84,245
RECONCILIATION OF FUNDS			
Total funds brought forward		<u>26,255,095</u>	26,170,850
TOTAL FUNDS CARRIED FORWARD		<u>26,989,213</u>	<u>26,255,095</u>

The notes form part of these financial statements

HOSPITAL OF THE BLESSED MARY

**BALANCE SHEET
31 DECEMBER 2025**

		2025 Unrestricted funds £	2024 Total funds £
FIXED ASSETS	Notes		
Tangible assets	10	2,172,115	4,667,725
Investments	11	<u>23,981,851</u>	<u>21,614,645</u>
		26,153,966	26,282,370
CURRENT ASSETS			
Debtors	12	1,007,608	182,789
Cash at bank		<u>148,933</u>	<u>25,323</u>
		1,156,541	208,112
CREDITORS			
Amounts falling due within one year	13	<u>(259,641)</u>	<u>(171,082)</u>
NET CURRENT ASSETS		<u>896,900</u>	<u>37,030</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		27,050,866	26,319,400
CREDITORS			
Amounts falling due after more than one year	14	<u>(61,653)</u>	<u>(64,305)</u>
NET ASSETS		<u>26,989,213</u>	<u>26,255,095</u>
FUNDS	17		
Unrestricted funds		<u>26,989,213</u>	<u>26,255,095</u>
TOTAL FUNDS		<u>26,989,213</u>	<u>26,255,095</u>

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



.....
Mr H Castle-Smith - Trustee

The notes form part of these financial statements

HOSPITAL OF THE BLESSED MARY
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	2025 £	2024 £
Cash flows from operating activities			
Cash generated from operations	1	(2,176,333)	(803,991)
Interest paid		<u>(5,175)</u>	<u>(8,010)</u>
Net cash used in operating activities		<u>(2,181,508)</u>	<u>(812,001)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(40,338)	(623,744)
Sale of fixed asset investments		1,539,999	300,000
Rents received		735,119	765,027
Dividends & interest		71,342	197,552
Interest received		1,184	2,458
Dividends received		<u>379</u>	<u>620</u>
Net cash provided by investing activities		<u>2,307,685</u>	<u>641,913</u>
Cash flows from financing activities			
Loan repayments in year		<u>(2,567)</u>	<u>(691)</u>
Net cash used in financing activities		<u>(2,567)</u>	<u>(691)</u>
Change in cash and cash equivalents in the reporting period		123,610	(170,779)
Cash and cash equivalents at the beginning of the reporting period		<u>25,323</u>	<u>196,102</u>
Cash and cash equivalents at the end of the reporting period		<u>148,933</u>	<u>25,323</u>

The notes form part of these financial statements

HOSPITAL OF THE BLESSED MARY
NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2025

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2025 £	2024 £
Net income for the reporting period (as per the Statement of Financial Activities)	734,118	84,245
Adjustments for:		
Depreciation charges	125,948	173,341
Gain on investments	(1,497,205)	(82,609)
Interest received	(1,184)	(2,458)
Interest paid	5,175	8,010
Dividends received	(379)	(620)
Rents received	(735,119)	(765,027)
Dividends and interest received	(71,342)	(197,552)
(Increase)/decrease in debtors	(824,819)	18,231
Increase/(decrease) in creditors	88,474	(39,552)
Net cash used in operations	<u>(2,176,333)</u>	<u>(803,991)</u>

2. ANALYSIS OF CHANGES IN NET (DEBT)/FUNDS

	At 1.1.25 £	Cash flow £	At 31.12.25 £
Net cash			
Cash at bank	<u>25,323</u>	<u>123,610</u>	<u>148,933</u>
	<u>25,323</u>	<u>123,610</u>	<u>148,933</u>
Debt			
Debts falling due within 1 year	(767)	(85)	(852)
Debts falling due after 1 year	<u>(64,305)</u>	<u>2,652</u>	<u>(61,653)</u>
	<u>(65,072)</u>	<u>2,567</u>	<u>(62,505)</u>
Total	<u><u>(39,749)</u></u>	<u><u>126,177</u></u>	<u><u>86,428</u></u>

The notes form part of these financial statements

HOSPITAL OF THE BLESSED MARY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

1. 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, except for investments which are included at market value, as modified by the revaluation of certain assets.

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

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.

Income from investment property rents is recognised in the year in which it is receivable.

The Statement of financial activities includes the net gains and losses arising on revaluations and disposals of investment assets throughout the year.

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.

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

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 2% on cost
St Mary's Lodge	- in accordance with the property lease
Plant and machinery	- 20% on cost

Property expenditure which goes above and beyond simple maintenance is capitalised, where the cost of the work exceeds £10,000.

Taxation

The charity is exempt from tax on its charitable activities.

Listed investments

Listed investments are measured initially at cost and subsequently at fair value.

Investment property

Investment property is shown at fair value. Any aggregate surplus or deficit arising from changes in fair value is transferred to the Statement of Financial Activities.

Fund accounting

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

HOSPITAL OF THE BLESSED MARY

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2025

1. ACCOUNTING POLICIES - continued

Fund accounting

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.

Pension costs and other post-retirement benefits

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are recognised at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost. The Charity has no advanced financial instruments.

Going concern

The charity has a large amount of liquid assets which can be used to support any short-term downturns in revenue and any exceptional expenditure. On this basis the Trustees believe the charity is a going concern.

2. DONATIONS AND LEGACIES

	2025	2024
	£	£
Resident's contribution	260,907	204,054
Donations from visitors	428	638
	<u>261,335</u>	<u>204,692</u>

3. INVESTMENT INCOME

	2025	2024
	£	£
Rents received	735,120	771,792
Dividends & interest	71,342	96,401
Guest room rental	379	620
Deposit account interest	1,184	2,458
	<u>808,025</u>	<u>871,271</u>

HOSPITAL OF THE BLESSED MARY

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2025**

4. CHARITABLE ACTIVITIES COSTS

	2025	2024
	£	£
Property repairs	703,979	142,662
Professional charges	61,437	59,090
Insurance	5,234	5,206
Rates	14,697	5,245
Heat & Light	10,327	6,246
	<u>795,674</u>	<u>218,449</u>

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Grant funding of activities (see note 6) £	Support costs (see note 7) £	Totals £
Almshouses	<u>927,900</u>	<u>30</u>	<u>120,285</u>	<u>1,048,215</u>

6. GRANTS PAYABLE

	2025	2024
	£	£
Almshouses	<u>30</u>	<u>5,286</u>

The total grants paid to institutions during the year was as follows:

	2025	2024
	£	£
St Richard of Chichester Christian Care Association	-	286
Chichester Heart for Homeless	-	5,000
Swanfield Chapel	<u>30</u>	<u>-</u>
	<u>30</u>	<u>5,286</u>

7. SUPPORT COSTS

	Management £	Finance £	Governance costs £	Totals £
Almshouses	<u>11,945</u>	<u>6,257</u>	<u>102,083</u>	<u>120,285</u>

HOSPITAL OF THE BLESSED MARY

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2025**

7. SUPPORT COSTS - continued

Included in the above is £10,380 (2024: £15,555) which relates to the auditors remuneration. Non audit fees amount to £38,307 (2024: £29,441).

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2025 nor for the year ended 31 December 2024.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2025 nor for the year ended 31 December 2024.

9. STAFF COSTS

	2025	2024
	£	£
Wages and salaries	86,135	94,268
Social security costs	1,704	8,760
Other pension costs	15,269	19,195
	<u>103,108</u>	<u>122,223</u>

The average monthly number of employees during the year was as follows:

	2025	2024
	<u>4</u>	<u>4</u>
Employees		

No employees received emoluments in excess of £60,000.

10. TANGIBLE FIXED ASSETS

	Freehold property £	St Mary's Lodge £	Plant and machinery £	Totals £
COST				
At 1 January 2025	5,559,769	397,725	277,609	6,235,103
Additions	40,338	-	-	40,338
Reclassification	(2,410,000)	-	-	(2,410,000)
At 31 December 2025	<u>3,190,107</u>	<u>397,725</u>	<u>277,609</u>	<u>3,865,441</u>
DEPRECIATION				
At 1 January 2025	1,253,052	245,253	69,073	1,567,378
Charge for year	<u>63,802</u>	<u>6,624</u>	<u>55,522</u>	<u>125,948</u>
At 31 December 2025	<u>1,316,854</u>	<u>251,877</u>	<u>124,595</u>	<u>1,693,326</u>
NET BOOK VALUE				
At 31 December 2025	<u>1,873,253</u>	<u>145,848</u>	<u>153,014</u>	<u>2,172,115</u>
At 31 December 2024	<u>4,306,717</u>	<u>152,472</u>	<u>208,536</u>	<u>4,667,725</u>

HOSPITAL OF THE BLESSED MARY

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2025

11. FIXED ASSET INVESTMENTS

	Listed investments £	Investment Properties £	Totals £
MARKET VALUE			
At 1 January 2025	3,387,145	18,227,500	21,614,645
Disposals	(1,572,758)	-	(1,572,758)
Revaluations	(72,536)	1,602,500	1,529,964
Reclassification/transfer	-	2,410,000	2,410,000
	<u>1,741,851</u>	<u>22,240,000</u>	<u>23,981,851</u>
At 31 December 2025	<u>1,741,851</u>	<u>22,240,000</u>	<u>23,981,851</u>
NET BOOK VALUE			
At 31 December 2025	<u>1,741,851</u>	<u>22,240,000</u>	<u>23,981,851</u>
At 31 December 2024	<u>3,387,145</u>	<u>18,227,500</u>	<u>21,614,645</u>

There were no investment assets outside the UK.

The approximate historical cost of investment properties is £1,678,683, which is estimated as a result of a lack of detailed records.

The residential investment properties were subject to a formal valuation undertaken by Flude Property Consultants and Chartered Surveyors on 31 December 2025. The basis of valuation was open market value.

The commercial investment properties were subject to a formal valuation on 31 December 2021 by Flude Property Consultants and Chartered Surveyors. The basis of valuation was open market value. The trustees believe that the current valuation of these properties is not materially different to the valuation as stated in these financial statements.

During 2025 the Charity entered into a deferred contract to sell 141 and 142 St Pancras. The properties will be sold for £600,000 within five years of the date of the agreement, during which interest of 4.25% per annum will be charged.

12. DEBTORS

	2025 £	2024 £
Amounts falling due within one year:		
Trade debtors	51,316	61,044
Other debtors	<u>141,292</u>	<u>121,745</u>
	<u>192,608</u>	<u>182,789</u>
Amounts falling due after more than one year:		
Other debtors	<u>815,000</u>	<u>-</u>
Aggregate amounts	<u>1,007,608</u>	<u>182,789</u>

During 2025 a loan of £815,000 was made to Westbourne Community Trust Limited to partly fund the development of an affordable housing scheme to provide socially rented accommodation in Westbourne, West Sussex. The loan is for 30 years, at a fixed interest rate of 5% on the first £750,000 and 4% on the remaining £65,000. Interest repayments will commence 1 April 2026. Capital repayments will commence 60 months from the date of the advancement of the loan.

The charity holds a first legal charge over the property and associated assets with Westbourne Community Trust Limited.

HOSPITAL OF THE BLESSED MARY

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2025**

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025	2024
	£	£
Other loans (see note 15)	852	767
Trade creditors	119,899	40,159
Rent deposits	48,377	47,631
Accruals and deferred income	90,513	82,525
	<u>259,641</u>	<u>171,082</u>

Included above is deferred income of £53,266 (2024: £53,125) which relates to rents received in advance.

14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2025	2024
	£	£
Other loans (see note 15)	<u>61,653</u>	<u>64,305</u>

15. LOANS

An analysis of the maturity of loans is given below:

	2025	2024
	£	£
Amounts falling due within one year on demand:		
Housing corporation loan	<u>852</u>	<u>767</u>
Amounts falling between one and two years:		
Other loans - 1-2 years	<u>946</u>	<u>852</u>
Amounts falling due between two and five years:		
Other loans - 2-5 years	<u>3,512</u>	<u>3,163</u>
Amounts falling due in more than five years:		
Repayable by instalments:		
Other loans more 5yrs instal	57,195	60,290

16. SECURED DEBTS

The following secured debts are included within creditors:

	2025	2024
	£	£
Housing corporation loan	<u>62,505</u>	<u>65,072</u>

The loans are due to the Housing Corporation and are secured by way of a specific charges against the properties owned by the charity. The loans are repayable at varying rates of interest to a maximum of 10.75% per annum. Capital is being repaid over 60 years from 31 March 1987.

HOSPITAL OF THE BLESSED MARY

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2025**

17. MOVEMENT IN FUNDS

	At 1.1.25 £	Net movement in funds £	At 31.12.25 £
Unrestricted funds			
General fund	26,255,095	734,118	26,989,213
TOTAL FUNDS	<u>26,255,095</u>	<u>734,118</u>	<u>26,989,213</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	1,069,360	(1,843,889)	1,508,647	734,118
TOTAL FUNDS	<u>1,069,360</u>	<u>(1,843,889)</u>	<u>1,508,647</u>	<u>734,118</u>

Comparatives for movement in funds

	At 1.1.24 £	Net movement in funds £	At 31.12.24 £
Unrestricted funds			
General fund	26,170,850	84,245	26,255,095
TOTAL FUNDS	<u>26,170,850</u>	<u>84,245</u>	<u>26,255,095</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	1,075,963	(1,074,327)	82,609	84,245
TOTAL FUNDS	<u>1,075,963</u>	<u>(1,074,327)</u>	<u>82,609</u>	<u>84,245</u>

HOSPITAL OF THE BLESSED MARY

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2025

17. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.24 £	Net movement in funds £	At 31.12.25 £
Unrestricted funds			
General fund	26,170,850	818,363	26,989,213
TOTAL FUNDS	<u>26,170,850</u>	<u>818,363</u>	<u>26,989,213</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	2,145,323	(2,918,216)	1,591,256	818,363
TOTAL FUNDS	<u>2,145,323</u>	<u>(2,918,216)</u>	<u>1,591,256</u>	<u>818,363</u>

18. RELATED PARTY DISCLOSURES

During the year ended 31 December 2025 the Charity incurred expenditure of £16,560 to M.J Howard MDC Limited, a company whose director and shareholder is a trustee of the charity. All transactions were conducted on an arms length basis.

19. PENSIONS

St Mary's Hospital participates in the Church of England Defined Benefits Scheme (DBS), part of the church Workers Pensions Fund, for employees who joined the staff before 31st December 2002. At 31st December 2025 there are no active members. The assets of the fund are held separately from those of St Mary's Hospital.

The Defined Benefits scheme was the subject of a full valuation as at 31st December 2022. The fund was shown to be in surplus and payments to meet a previous deficit have now ceased.

St Mary's Hospital also participates in the Church Workers Pension fund Pension Builder 2014 Defined Contribution Scheme. Pension contributions are charged to the Statement of Financial Activities as they arise.

HOSPITAL OF THE BLESSED MARY
DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2025

	2025 £	2024 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Resident's contribution	260,907	204,054
Donations from visitors	<u>428</u>	<u>638</u>
	261,335	204,692
Investment income		
Rents received	735,120	771,792
Dividends & interest	71,342	96,401
Guest room rental	379	620
Deposit account interest	<u>1,184</u>	<u>2,458</u>
	<u>808,025</u>	<u>871,271</u>
Total incoming resources	1,069,360	1,075,963
EXPENDITURE		
Investment management costs		
Property repairs	703,979	142,662
Professional charges	61,437	59,090
Insurance	5,234	5,206
Rates	14,697	5,245
Heat & Light	<u>10,327</u>	<u>6,246</u>
	795,674	218,449
Charitable activities		
Wages	86,135	94,268
Social security	1,704	8,760
Pensions	15,269	19,195
Rates and water	52,662	21,212
Insurance	27,366	26,527
Light and heat	46,443	93,134
Sundries	9,293	12,315
Garden expenses	52,113	62,079
Repairs & maintenance	491,209	251,718
Outings & trips	19,758	6,602
Depreciation of St Mary's Courtyard	63,802	111,195
Depreciation of St Mary's Lodge	6,624	6,624
Plant and machinery	55,522	55,522
Grants to institutions	<u>30</u>	<u>5,286</u>
	927,930	774,437
Support costs		
Management		
Telephone	11,945	11,496

This page does not form part of the statutory financial statements

HOSPITAL OF THE BLESSED MARY
DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2025

	2025 £	2024 £
Management Finance		
Bank charges	1,082	708
Loan	<u>5,175</u>	<u>7,051</u>
	6,257	7,759
Governance costs		
Auditors' remuneration	8,385	15,555
Bookkeeping	48,337	29,441
Legal and professional fees	<u>45,361</u>	<u>17,190</u>
	102,083	62,186
Total resources expended	<u>1,843,889</u>	<u>1,074,327</u>
Net (expenditure)/income before gains and losses	(774,529)	1,636
Realised recognised gains and losses		
Realised gains/(losses) on fixed asset investments	<u>(32,759)</u>	<u>6,817</u>
Net (expenditure)/income	<u>(807,288)</u>	<u>8,453</u>

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