

HOSPITAL OF ST CROSS AND ALMSHOUSE OF NOBLE POVERTY

England & Wales · Charity number 202751

Details

Other names HOSPITAL OF ST CROSS FOUNDATION, ST CROSS HOSPITAL

Status Registered

Legal form Other

Registered 1969-03-12

Register [View on the Charity Commission register](#)

Contact

Address The Hospital Of St Cross And
Almshouse Of Noble Poverty
St. Cross Road
Winchester
Hampshire
SO23 9SD

Phone 01962878218

Email clerk@hospitalofstcross.co.uk

Website www.hospitalofstcross.co.uk

Activities

Objects: BENEFIT OF THE BRETHERN OR ANY OF THEM IN SUCH MANNER AS TRUSTEES THINK FIT.

Activities: The Hospital of St Cross, In Winchester, Hampshire is the oldest almshouse in England. Up to 25 elderly gentlemen live in self-contained accommodation. The public (mediaeval) buildings and the gardens are open to the public throughout the year. The fine transitional Norman Church is the place of worship for the parishioners of St Faith's parish

Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services
- **What:** The Prevention Or Relief Of Poverty, Accommodation/housing, Environment/conservation/heritage
- **Who:** Elderly/old People

Geography

- **Area of benefit:** NATIONAL
- Hampshire

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£1,044,243	£1,212,671	£23,136,339	11
2023-12-31	£981,364	£1,373,431	£22,619,191	11
2022-12-31	£929,877	£920,128	£21,039,352	11
2021-12-31	£929,434	£756,978	£22,883,258	11
2020-12-31	£658,038	£737,387	£20,555,588	11

Trustees

Name	Role	Appointed
Sir Jonathan Portal	Chair	2023-03-21
Angela Clear		2024-05-01
CHRISTOPHER MICHAEL HIGGINS		2012-06-19
Dr Sudhakar Achwal		2025-05-14
Dr William Hellier		2024-12-01
Eric Adam Campbell Rattray		2021-06-22
Felicity Ann Pennycook		2020-04-07
Jonathan Sleath		2024-12-01
Mary Imogen Lyndon Skeggs		2022-03-23
Mr Patrick William Uvedale Corbett		2010-09-21
Mrs Gillian Lesley Beck		2017-04-18
Rev Dominik Chmielewski		2022-12-05
Richard Hills		2025-03-01

Linked charities

- ALMSHOUSE OF NOBLE POVERTY FOUNDATION (202751-1)

HOSPITAL OF ST CROSS AND ALMSHOUSE OF NOBLE POVERTY

England & Wales - Charity number 202751

Accounts

Charity number: 202751

The Hospital of St Cross and Almshouse of Noble Poverty

**Trustees' report and
Financial statements**

For the year ended 31 December 2024

The Hospital of St Cross and Almshouse of Noble Poverty

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The Hospital of St Cross and Almshouse of Noble Poverty

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS

FOR THE YEAR ENDED 31 DECEMBER 2024

Charity registered number

202751

Registered office

Hospital of St Cross, St Cross Road, Winchester, SO23 9SD

Co-optative Trustees

Mr Jonathan Cooke (Chairman to 19 March 2024; retired December 2024)

Sir Jonathan Portal (Chairman from 19 March 2024)

Mr William Corbett

Mrs Gill Beck (PCC)

Mr Christopher Higgins

Mr Michael Killingley FCA (retired March 2025)

Mrs Imogen Lyndon Skeggs

Ms Felicity Pennycook ACA (Honorary Treasurer)

Mrs Katherine Wake (retired March 2025)

Dr Tim Foster (retired December 2024)

Dr William Hellier (appointed December 2024)

Mr Jonathan Sleath (appointed December 2024)

Mr Richard Hills (appointed March 2025)

Nominative Trustees

Cllr Fiona Mather (Winchester City Council) (retired May 2024), Cllr Angela Clear (appointed May 2024)

Mr Adam Rattray (Winchester College)

Ex-officio Trustees

The Master of St Cross: The Reverend Dominik Chmielewski

The Dean of Winchester: The Very Reverend Catherine Ogle (retired 1/5/2025, recruitment ongoing)

The Right Worshipful Mayor of Winchester: Cllr Angela Clear (2023/2024), Cllr Russell Gordon-Smith (2024/2025), Cllr Sudhakar Achwal (2025/2026)

Clerk to the Trustees

Mrs Catriona Morley

Bankers

National Westminster Bank plc, 105 High Street, Winchester, SO23 9AW

Solicitors

Godwins, 12 St Thomas Street, Winchester, SO23 9HF

Investment Managers

CCLA Investment Management Ltd, Senator House, 85 Queen Victoria Street, London, EC4V 4ET

Property advisors

Carter Jonas, 9a Jewry Street, Winchester, SO23 8RZ

Auditor

Crowe U.K. LLP, Aquis House, 49-51 Blagrove Street, Reading, RG1 1PL

The Hospital of St Cross and Almshouse of Noble Poverty

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2024

Principal activities and aims

The Hospital's principal activity continues to be the provision of a living community which offers a home and haven to elderly gentlemen in need of support, on the premises of "England's oldest and most perfect Almshouse" and to provide a welcome to all who wish to visit the Hospital and enjoy its surroundings.

The Hospital was originally founded around 1132 by Henri de Blois, Bishop of Winchester. Its aims are to maintain the property, care for the Brothers, welcome visitors and continue the worship at the Church of St Cross for the Brothers and, for the past 500 years, the parishioners of St Faith.

Review of achievements and performance for the year

Heritage Profile

Visitor numbers decreased slightly in 2024 compared to the previous year and are still well short of the number of visitors in 2019, before the pandemic. It has been widely reported that a lot of visitor attractions and heritage sites have been suffering from reduced visitor numbers. The cost of living crisis, bad weather and residual effects of the pandemic all contributed to this.

Whilst the Trustees are keen to retain the tranquil atmosphere of the Hospital and respect the fact that it is home to its residents, the Brothers, they recognise the need to refresh what is on offer to its paying visitors and to share the rich heritage of the Hospital. Providing new and interesting information and activities connected to its history helps to generate the income the Hospital needs to prosper and maintains its status amongst the top attractions in the ancient city of Winchester.

Gradual changes took place in 2024 to enhance the visitor experience. A display of Robes (worn by the Red and Black Brothers and the Master), the Brothers' Register and other pictures and artefacts were introduced to the Brethren's Hall. Improvements to the Hospital's social media platforms and involvement in the local Attractions Partnership group have all helped with the enhancements.

The project to commemorate the Hospital's 900 year anniversary (in 2032) continued with work on the feasibility of ideas to celebrate the occasion.

In September the Hospital, once again, took part in the National Heritage Open Days scheme. The event offers free entry for one day in order to celebrate and promote the UK's history and culture. During the opening visitors were able to take part in an Escape Room style, cultural clue solving trail. This was a trial event and, due to its overwhelming success, it is intended to roll out a number of sessions of clue solving trails for families to book during school holidays in 2025. These will be based on a 'Cromwellian Conundrum' involving a story around the Brothers and Master of the Hospital.

A stonemason's workshop was held in the Bowling Green which drew in many visitors who were keen to observe as much as to take part. As a result of the success of this venture, further Artisan workshops are planned for the future. The Hospital provides a stunning location for these events.

Review of charitable activities

Flat refurbishment

The major project to refurbish and modernise four flats – one staircase – was completed in March 2024, at a cost of some £735,000, and the new accommodation has been well received.

This project was, with Charity Commission consent, funded entirely from the Hospital's own resources. The trustees are considering the lessons learned from this first phase before deciding on the nature and timing of the next stage of flat refurbishment.

The Hospital of St Cross and Almshouse of Noble Poverty

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2024

It is beyond the ability of the Hospital to fund such a project solely from its own reserves. The most recent estimate of the cost of the whole project was £4 million.

As always, there has been a heavy programme of other repairs during 2024, at a cost of some £248,000 across various areas of the Hospital's estate.

Welfare and visitors

Two Brothers and one Brother Emeritus sadly died during the year.

The completion of the refurbishment of one staircase – four flats – has enabled the Hospital to increase the number of Brothers. Two were welcomed to the Hospital during the year, and applications have been accepted for another three to join the Hospital during the second quarter of 2025.

The Hospital had about 5,200 paying visitors in 2024, slightly fewer than in 2023 and still well below the 8,000 visitors in 2019, before the Covid pandemic. There were 14 weddings at St. Cross during the year (2023 - 10), and a successful Michaelmas Fair in September.

Friends of St Cross Hospital

The Friends of St. Cross has about 770 individual members, very much in line with last year. They provide a wide range of educational and fund-raising activities both within and outside the premises of the Hospital.

During 2024 the Friends generously donated £17,000 to the Hospital to fund both the automatic opening of the outer door from the Ambulatory into the church and repairs to the stained glass at the east end of the Memorial Chapel. The remaining amount of approximately £9,000 was a contribution to the project to improve the lighting for the church..

Financial review

Financial activities

The Hospital incurred a deficit in 2024 of £168,000 before investment gains (2023 deficit £392,000). However, this was after expenditure of a further £237,000 on phase 1 of the flat refurbishment project.

There was thus an underlying surplus, before these exceptional refurbishment costs, of £69,000 (2023: £106,000).

This result was significantly better than the budgeted surplus of £6,000. The principal variances were lower overall expenditure on repairs (£24,000 variance helped by a substantial number of repairs being done in house); and a considerably better than expected public visiting result (£32,000 variance primarily in increased tea-room sales and gift-aided donations).

Resources expended during the year, excluding exceptional refurbishment costs, increased by 12% to £976,000 (2023: £875,000). The reasons for this are a combination of increased staff costs including a full year's costs of a deputy clerk, increased public visiting costs along with the increased income and repair costs of the hospital buildings getting back towards 2022 levels after a drop last year. Higher repair costs are no bad thing, since the repair and safeguarding of Grade 1 listed medieval buildings is costly and, aided by our architects' quinquennial inspection reports, it is important that the Hospital keeps up to date with its repair and maintenance programme.

The Hospital of St Cross and Almshouse of Noble Poverty

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2024

For the sake of clarity, phase 1 of the flat refurbishment project cost in total £735,000 over a 2 year period (£237,000 in 2024 and £498,000 in 2023). Funds for this project, this year came from the Restricted Fund entitled Extraordinary Repair Fund (note 23).

Balance Sheet

Net assets increased by 2% to £ 23.1 million (2023: £ 22.6 million) as a result of modest increases in both the Hospital's investment and property portfolios.

The former, invested in funds managed by CCLA, underperformed against their benchmark. This is in part because a significant component of market outperformance in recent years is attributable to a small number of large US technology stocks (notably the so-called "Magnificent 7"); it would be imprudent for an investment manager to concentrate too high a percentage of the charity's assets in such a small number of stocks. The trustees monitor the performance of the CCLA portfolio regularly.

The property portfolio had been externally valued at open market value at the end of 2023 by the Hospital's property advisers Carter Jonas; these values were reviewed and adjusted as at 31 December 2024 in line with indexed growth in the residential property market. Financial reporting standards require investment properties to be professionally valued at least every 5 years.

Cash at bank and in hand at 31 December 2024 was £214,000 (2023: £148,000).

Resources and Reserves policy

Of the total funds at 31 December 2024 of £23.1 million, £20.4 million was permanent endowment and £82,000 restricted funds.

Unrestricted funds were £2.6 million of which £954,000 were designated funds. The balance is the General Fund, which includes £319,000 of tangible fixed assets.

The Trustees' policy is to plan expenditure within available resources whilst retaining reserves to provide a degree of flexibility to meet the cost of major repairs. These can be significant when maintaining ancient Grade 1 listed buildings.

Investment policy

The foundation buildings and the investment properties are managed to best effect with the aid of quinquennial inspections and reports.

Monetary investments are currently held in common investment funds, where the fund managers practise socially responsible investment. The policy applicable to equity-based investments is to produce the best income compatible with longer-term capital growth and security. The policy applicable to fixed interest and variable interest-bearing investments is to aim for maximum income subject to protection of capital (such investments are made into highly rated bonds or deposits).

During the year the finance and property committees conducted a review of the Hospital's investment policy, including the allocation of assets between the investment and property portfolios. No changes were recommended, but it was agreed that such a review should be undertaken regularly.

Outlook and future plans

The Hospital will continue the aims as stated above, namely the maintenance and refurbishment of the fabric of the church and hospital buildings, and the welfare of the Brothers.

The Hospital of St Cross and Almshouse of Noble Poverty

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2024

Financial outlook

The Hospital is budgeting to make a modest surplus in 2025, after taking into account a substantial programme of necessary repairs.

Refurbishment of Brothers' flats

As noted above, the first phase of the flat refurbishment project was completed early in 2024, and a decision on next steps will be taken in due course, once the trustees have considered the lessons learned from the project. The whole refurbishment project will extend over several years, firstly because of the logistical constraints of housing all the Brothers while the work takes place, and secondly because it is beyond the ability of the Hospital to fund the work solely from its own reserves.

The Trustees are considering how best to raise the additional funds which will be required.

Landscape and Conservation

The Hospital's appointed tree adviser has recently carried out a Tree Health survey to update the original Safety Audit & Management Strategy document written by him in 2020. We will be acting on his recommendations for any urgent work required to individual trees. The removal of the diseased ash and sycamore trees along the Mill stream which was scheduled for last year was delayed due to the exceptionally wet weather. We hope to carry out this work in August/September this year and we are optimistic that funding will be available through the Hampshire & Isle of Wight Wildlife Trust as the removal of the trees will greatly enhance the habitat for the rare Southern Damselfly.

We are liaising with our tenant, St Cross Cricket Club, to ensure careful management of the trees within their boundary, and we have recently planted six plane trees for them along St Cross Road which were propagated by Hilliers from the magnificent specimens at Winchester College. We hope in time these will be enjoyed by all entering Winchester along this route.

We will continue to enhance the land owned by the Hospital in the coming year with smaller projects highlighted in our long term landscape masterplan, which include opening up lost views, planting more trees, repairing sluice gates in the water meadows and footpath repairs.

Public benefit and the relief of poverty

The two foundations of the Hospital of St Cross (established 1132) and the Almshouse of Noble Poverty (established 1455) were founded to provide relief for the poor and needy, through the provision of accommodation and sustenance. The Trustees of the (now combined) foundations are also fully committed to the maintenance in their original style of the Hospital's unique set of grade-one-listed medieval buildings and have in place a continuing programme of repair and improvement.

The Hospital is at the heart of the local community. As an historic almshouse, it provides accommodation for twenty-five elderly men. The visiting public are welcome for 363 days in the year to visit the ancient buildings, walk in the gardens, request the Wayfarer's Dole and take refreshment provided by the Hospital volunteers in the medieval Hundred Men's Hall.

The Hospital enjoys an excellent association with the Parish of St Faith, who have worshipped at St Cross since 1507 when their own church fell into disrepair. The Parish regard St Cross Church as their principal place of worship with a typical Sunday attendance of well over 100 worshippers. The Hospital's Master, the Reverend Dominik Chmielewski, is also rector of the Parish. The Parish do much to assist in the upkeep of the church. In addition the Parish hold the annual local fete, which is enjoyed by up to 2000 people in the grounds of the Hospital.

The Hospital of St Cross and Almshouse of Noble Poverty

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FOR THE YEAR ENDED 31 DECEMBER 2024

The church and other buildings within the Hospital are in regular use by the Friends and other local groups for worship, concerts, educational purposes and events. There is a very strong musical tradition which continues to flourish with a very fine church organ and an active church choir. The church is in high demand for concerts and musical performances. The programme of free lunchtime concerts ('Perfect Pitch') in the Chapel, organised by Brother Graham Davies, ran weekly between

April and October 2024, with 29 concerts, attended by about 2100 people and involving more than 200 young musicians. The programme raised a significant amount by way of donations, towards ongoing conservation projects at the Hospital, such as improved LED lighting for the Chapel and better disabled access. The concert programme resumed in April 2025.

The Brothers' Library is a flexible space which is used in a variety of ways. It is suitable for small meetings and also occasionally let as a base for Parish Quiet Days. With its small kitchenette and excellent audio-visual equipment it is well suited to be used for training or for talks and lectures.

Outside the main site, the Hospital provides several other significant facilities which help to nurture a strong sense of local community. These include the provision of the Parish Hall and 80 traditional allotments in a beautiful setting by the river. The Parish Hall is in constant community use for the local pre-school nursery, Girl Guides, Brownies and other local activities such as yoga and dance classes.

The meadows which surround the Hospital provide a peaceful setting in which the public are able to walk and relax free of charge. Adjacent to the meadow, the Hospital lets its land to the local St. Cross Symondians Cricket Club where regular matches are held for both adult and youth cricket.

To keep itself current the Hospital continues to post content on its social media accounts and continues to improve its website. Marketing and publicity is vital to promote improved facilities and new events in the push to attract and increase the number of visitors. In early 2024 a separate website to promote the events and provide information about the Brothers' Perfect Pitch lunchtime concerts was launched at www.perfectpitchconcerts.co.uk.

The Hospital records since its original foundation are documents of considerable historical interest and importance. To reduce the risk of their loss or destruction, the records are held and preserved by the Hampshire Record Office and are available for public view within certain limitations to protect individual privacy. Plans are in place to continue adding to the archives.

The Trustees confirm that they have complied with the duty outlined in section 17(5) of the Charities Act 2011 to have due regard to the guidance issued by The Charity Commission on public benefit.

Structure, governance and management

Governing document

The Hospital of St Cross (the Hospital) is a registered charity whose objects are set out in the Charity Commission Scheme dated 5 November 1984 ('the Scheme'), as varied by the Scheme of 14 March 1990, an Order of 1 November 2006, a Memorandum of 5 September 2006 and Resolutions of 23 June 2009, 20 March 2012 and 23 March 2022.

There are two foundations, the Hospital of St Cross and the Almshouse of Noble Poverty. The Hospital's property and assets are owned by the two foundations as the Corporation of the Master and Brethren [Brothers] of the House or Hospital of St Cross and the Trustees administer it on behalf of the Corporation.

The Hospital of St Cross and Almshouse of Noble Poverty

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2024

The Trustees' responsibilities for application of income are set out in the Scheme. The first such responsibility is to defray out of the income of the Hospital the cost of maintaining the property and all other costs payable in respect of the property and all the proper costs of administration and management of the Hospital. Subject to the payments aforesaid, the Trustees shall apply the income of the Hospital for the benefit of the Brothers in such manner as the Trustees think fit.

Trustees

The names of the Trustees who served during the year and to the date of this report are shown on page 1. Co-optative Trustees are appointed by the Trustees and serve for five years. One nominative Trustee is appointed by Winchester City Council and serves for four years. The other nominative Trustee is appointed by the Warden of Winchester College. The Trustees meet quarterly and have appointed committees covering finance, property, risk management, visitors and welfare. Each Trustee usually sits on two committees.

Trustee recruitment

Co-optative Trustees are recruited after a thorough selection and interview process which ensures that a balance of relevant skills is maintained across the Board.

Trustee training

Each Trustee, upon appointment, receives a Trustee's welcome and induction pack, indicating the range of their responsibilities; in addition some of the Trustees attend annual seminars on accounting for charities and recent charity legislation and practice. During 2023 it was agreed that all Trustees would be required to undertake the Church of England Basic and Foundation online courses on safeguarding.

Organisational management

Under the Scheme, responsibility for the management and control of the Hospital and the Brethren rests with the Trustees. The day-to-day running of the Hospital, the maintenance of the premises and management of the employees is delegated to the Clerk to the Trustees, under the general supervision of the Trustees. The Master of St Cross (himself a Trustee) is charged with the pastoral welfare of the Brethren.

Brothers' accommodation is kept to a high standard and advertised regularly to ensure that any vacancies are filled by suitable applicants.

Risk management

The Trustees have examined the principal areas of the Hospital's operations and considered the major risks faced in each of these areas.

The Risk Management Committee biannually establishes, assesses and categorises all risks. In the opinion of the Trustees, the Hospital has established resources and review systems which allow these risks to be mitigated to an acceptable level in day-to-day operations.

Maintenance of income streams is vital in order to continue to meet the Hospital's objects. Reserves are invested in a mix of stock market investment funds and investment properties to spread risk whilst producing a regular income stream. Trustees work with the Investment Managers and Property Advisers to ensure that an appropriate asset allocation is maintained.

The repair and safeguarding of Grade 1 listed medieval buildings is costly and good maintenance is an important part of this. All Heritage buildings are subject to quinquennial inspection and there is a continual programme of repair and improvement. Regular insurance reviews are carried out.

The Hospital of St Cross and Almshouse of Noble Poverty

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2024

Annual fire risk assessments are carried out and the Hospital works closely with the local Fire Service to ensure quick and effective access in the event of an emergency. The Hospital also complies with the latest Health and Safety Management System backed by regular internal and external audits.

Trustees' responsibilities for the financial statements

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

The law applicable to charities in England and Wales 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 resource of the charity for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities Statement of Recommended Practice;
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether applicable UK 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 operation.

The Trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and 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 Scheme. 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.

The report was approved by the Trustees at their meeting on 17 June 2025 and signed on their behalf by:



Sir Jonathan Portal – Chairman

The Hospital of St Cross and Almshouse of Noble Poverty

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE HOSPITAL OF ST CROSS AND ALMSHOUSE OF NOBLE POVERTY

FOR THE YEAR ENDED 31 DECEMBER 2024

Opinion

We have audited the financial statements of The Hospital of St Cross and Almshouse of Noble Poverty for the year ended 31 December 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Cashflow Statement, and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2024 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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 Auditor's 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 contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or

The Hospital of St Cross and Almshouse of Noble Poverty

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE HOSPITAL OF ST CROSS AND ALMSHOUSE OF NOBLE POVERTY

FOR THE YEAR ENDED 31 DECEMBER 2024

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 in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; 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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 8 the trustees 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 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.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor 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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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 obtained an understanding of the legal and regulatory frameworks within which the charity operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

The Hospital of St Cross and Almshouse of Noble Poverty

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE HOSPITAL OF ST CROSS
AND ALMSHOUSE OF NOBLE POVERTY

FOR THE YEAR ENDED 31 DECEMBER 2024

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity for fraud. The laws and regulations we considered in this context for the UK operations were Charities Act 2011, The Charities (Accounts and Reports) Regulations 2008, The Charities SORP (FRS102) and Financial Reporting Standard 102.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of specific income streams and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Finance & Risk Committee about their own identification and assessment of the risks of irregularities, sample testing relevant income with agreement to supporting documentation, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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 auditor's report.

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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Crowe U.K. LLP

Crowe U.K. LLP

Statutory Auditor

Reading

Date 23 June 2025

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

The Hospital of St Cross and Almshouse of Noble Poverty

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	Permanent funds 2024 £	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income from:						
Donations, grants and legacies	2	-	17,298	60,522	77,820	79,451
Fundraising activities	3	-	-	37,945	37,945	31,787
Investment income	4	-	3,819	602,347	606,166	583,629
Charitable activities	5	-	-	322,312	322,312	286,497
Total income		-	21,117	1,023,126	1,044,243	981,364
Expenditure on:						
<i>Raising funds:</i>						
Costs of generating voluntary income	6	-	-	24,918	24,918	16,112
Investment management costs	7	-	-	52,150	52,150	59,536
<i>Charitable activities:</i>						
Refurbishment of Brothers' Flats	8	-	-	236,705	236,705	498,365
Other Charitable Activities		-	16,783	882,115	898,898	799,418
Total expenditure		-	16,783	1,195,888	1,212,671	1,373,431
Net incoming (outgoing) resources before investment gains		-	4,334	(172,762)	(168,428)	(392,067)
Net gains (losses) on investments	14	631,208	498	53,870	685,576	1,971,906
Net income before transfers		631,208	4,832	(118,892)	517,148	1,579,839
Transfers between funds	15	-	(268,375)	268,375	-	-
Net movement in funds		631,208	(263,543)	149,483	517,148	1,579,839
Reconciliation of funds:						
Total funds at 1 January 2024		19,794,504	345,993	2,478,694	22,619,191	21,039,352
Total funds at 31 December 2024		20,425,712	82,450	2,628,177	23,136,339	22,619,191

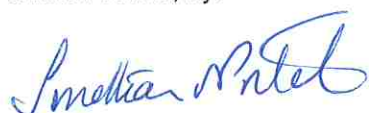
The Hospital of St Cross and Almshouse of Noble Poverty

BALANCE SHEET

FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	£	2024 £	£	2023 £
Fixed assets					
Tangible assets	16		319,071		355,152
Investment Properties	17		7,198,000		6,899,000
Investments	18		15,437,307		15,284,597
			22,954,378		22,538,749
Current assets					
Stocks	19	8,931		8,330	
Debtors	20	21,095		18,356	
Cash at bank and in hand	26	214,084		148,272	
		244,110		174,958	
Creditors: amounts falling due within one year	21	(62,149)		(94,516)	
Net current (liabilities)/assets			181,961		80,442
Net assets			23,136,339		22,619,191
Charity funds					
Permanent funds	22		20,425,712		19,794,504
Restricted funds	23		82,450		345,993
Unrestricted funds	24		2,628,177		2,478,694
Total funds			23,136,339		22,619,191

The financial statements were approved by the Trustees at their meeting on 17 June 2025 and signed on their behalf, by:



Sir Jonathan Portal – Chairman



Felicity Pennycook – Honorary Treasurer

The notes on pages 15 to 34 form part of these financial statements.

The Hospital of St Cross and Almshouse of Noble Poverty

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	2024 £	2023
Cash flows from operating activities			
Net income (outgoings) for the year (from Statement of Financial Activities)		(168,428)	(392,067)
Adjustment for:			
Dividends, interest and rents from investments		(606,166)	(583,629)
Decrease/(Increase) in stock		(601)	495
Decrease/(Increase) in debtors		(2,739)	(921)
(Decrease)/Increase in creditors		(32,367)	26,396
Depreciation of tangible fixed assets		36,081	36,081
Net cash provided by operating activities		(774,220)	(913,645)
Cash flows from investing activities			
Purchase of fixed asset investments		(1,625)	(1,625)
Transfers to cash from investments		270,000	200,000
Transfers from cash to investments		(34,509)	-
Purchase of tangible fixed assets		-	-
Disposal of tangible fixed assets		-	34,508
Dividends, interest and rents receivable		606,166	583,629
Net cash used in investing activities		840,032	816,512
Change in cash and cash equivalents in the year	26	65,812	(97,133)
Cash and cash equivalents brought forward		148,272	245,405
Cash and cash equivalents carried forward		214,084	148,272

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

1. Accounting Policies and Key Judgements

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with 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 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The Hospital of St Cross and Almshouse of Noble Poverty meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 Going concern

The Trustees consider that there are no material uncertainties about the Hospital's ability to continue as a going concern. The most significant areas of uncertainty that affect the carrying value of assets held by the Hospital are the level of investment return and the performance of investment markets.

1.3 Tangible assets

Heritage assets

The freehold properties described in Note 17 on page 27 are not included in the balance sheet at a monetary value as neither their costs, which have been fully written off, nor their market values are available. Significant improvements to the fitting out of heritage assets are capitalised where appropriate as fixtures and fittings.

Fixtures, fittings and plant

Individual assets costing more than £5,000 are capitalised and included at cost, including any incidental costs of acquisition.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Fixtures & Fittings	- 15 years straight line
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The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

1. Accounting Policies and Key Judgements

Investment properties

Investment properties are included in the balance sheet at their open market values by a professional revaluation every five years and by the Trustees in the intervening years. The surplus or deficit on revaluation of individual properties is transferred to the permanent endowment fund via the Statement of Financial Activities. Depreciation is not provided in respect of freehold investment properties, in accordance with Section 16: Investment Property of FRS 102.

1.4 Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on the revaluation and disposals throughout the year.

The Hospital does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the Hospital is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

1.5 Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

1.6 Stocks

The cost of publications and souvenirs for public sale are valued at the lower of the cost and net realisable value after making due allowance for slow-moving items.

1.7 Contingent liabilities

A contingent liability is identified and disclosed resulting from a possible obligation which will only be confirmed by the occurrence of one or more uncertain future events not wholly within the Trustees' control, a present obligation where settlement is either not considered probable, or the amount has not been communicated and that amount cannot be estimated reliably.

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

1. Accounting Policies and Key Judgements

1.8 Incoming resources

All incoming resources are recognised once the Hospital has entitlement to the resources, it is probable that the resources will be received and the monetary value of incoming resources can be measured with sufficient reliability.

Incoming resources include donations, legacies, grants, investment income and sales to visitors and other external users of the Hospital's facilities, as well as income from charitable activities.

Income from charitable activities derives from the Hospital's pursuit of its charitable objects.

Donations (including Gift Aid recoveries) are recognised when the Hospital has been notified in writing of both the amount and settlement date, or when they are received. In the event that a donation is subject to conditions that require a level of performance before the Hospital is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Hospital and it is probable that those conditions will be fulfilled in the reporting period.

Legacies are accounted for on a receivable basis. Pecuniary legacies are recognised following formal notification from the estate. Residuary legacies are recognised only when the Hospital's interest can be measured, which is normally on grant of probate.

Grants receivable in respect of expenditure incurred during the year are brought into account provided they have been approved for payment at the year end.

Dividends and interest, bank deposit account interest, and rents receivable are brought into account on a receivable basis.

Income from public visiting and similar activities is recognised when received.

1.9 Resources expended

Liabilities are recognised as soon as there is a legal or constructive obligation committing the Hospital to the expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. The Hospital is not registered for VAT and accordingly expenditure is shown inclusive of VAT.

"Costs of generating funds" comprise costs of attracting voluntary income, costs of goods sold for fund raising purposes, and costs of managing the investment properties.

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

1. Accounting Policies and Key Judgements

“Charitable activities” comprise costs to maintain the charitable property and to provide accommodation and welfare for the Brothers.

Support costs, comprising salaries and office costs, have been allocated to the activity cost categories based on an estimate of the time spent.

1.10 Pension schemes

For eligible salaried employees the Hospital participates in the Church of England Pension Builder scheme within the Church Workers Pension Fund (CWPF).

Eligible employees who joined the Hospital up to May 2021 were entitled to become members of the Pension Builder Classic section of the scheme; this is a deferred annuity scheme, which is a defined benefit scheme.

Since June 2021 new employees have been entitled to become members of the scheme's Pension Builder 14 section; this is a cash balance scheme and is also classed as a defined benefit scheme; it is similar to a defined contribution scheme but with a guarantee that the retirement cash sum will not usually decrease.

The pension costs charged against the surplus or deficit for the year represent the contributions payable to the scheme in respect of the accounting period. If there were to be a large funding deficit over a prolonged period, additional contributions might become payable, although to date the CWPF has never sought any such contributions.

1.11 Funds

The Hospital's permanent endowment funds are set out in note 22 to the financial statements. They comprise the permanent endowment funds of the two constituent charities, the Hospital of St Cross Foundation and the Almshouse of Noble Poverty Foundation. The income from the investment assets of the funds is unrestricted.

Restricted funds are funds subject to specific conditions within the objects of the Hospital and are set out in note 23 to the financial statements.

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

1. Accounting Policies and Key Judgements

Unrestricted funds are funds where no restrictions are placed on the use by the Hospital upon either the capital or the income and comprise:

- (i) The Commander J S Baker Bequest – a designated fund
- (ii) The Miss G M Bauer Bequest – designated by the Trustees for use on arboricultural and horticultural projects
- (iii) Refurbishment Reserve - designated by the Trustees for contributing to the cost of the refurbishment project of the Brothers' flats.
- (iv) General fund – to provide the Hospital's working capital.

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

1.12 Key Judgements

Certain reported amounts of assets and liabilities are subject to estimates and assumptions. Estimates and judgements by management are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Judgements that have the most significant effect on the amounts recognised in the financial statements and estimates that can cause a significant adjustment to the carrying amount of assets and liabilities within the next financial year include:

Investment property

The investment property valuation is reviewed annually by the Trustees. The properties are stated at fair value with changes in the fair value being recognised in the Statement of Financial Activities.

2. Income from donations, grants and legacies

	Permanent funds 2024 £	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Donations	-	17,298	20,022	37,320	28,220
Grants	-	-	39,000	39,000	38,500
Legacies	-	-	1,500	1,500	12,731
	-	17,298	60,522	77,820	79,451

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

3. Income from fundraising activities

	Permanent funds 2024 £	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Events	-	-	6,075	6,075	4,527
Shop sales	-	-	16,347	16,347	14,885
Tearoom sales	-	-	15,523	15,523	12,375
	-	-	37,945	37,945	31,787

4. Investment income

	Permanent funds 2024 £	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Rent receivable	-	-	159,406	159,406	145,551
Investment income	-	3,819	442,941	446,760	438,078
	-	3,819	602,347	606,166	583,629

5. Income from charitable activities

	Permanent funds 2024 £	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Recoveries from Brothers	-	-	177,460	177,460	169,845
Primary purpose trade	-	-	90,897	90,897	79,618
Ancillary trade	-	-	53,955	53,955	37,034
	-	-	322,312	322,312	286,497

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

6. Costs of generating voluntary income

	Permanent funds 2024 £	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Expenses of public visiting	-	-	4,277	4,277	4,045
Costs of goods sold	-	-	20,641	20,641	12,067
	-	-	24,918	24,918	16,112

7. Investment management costs

	Permanent funds 2024 £	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Investment property repairs	-	-	34,228	34,228	38,450
Investment property management fees	-	-	6,667	6,667	11,915
Support costs (note 11)	-	-	11,255	11,255	9,171
	-	-	52,150	52,150	59,536

8. Analysis of expenditure on charitable activities

	Permanent funds 2024 £	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Upkeep of historic buildings	-	9,104	385,123	394,227	316,448
Refurbishment of Brothers' Flats	-	-	236,705	236,705	498,365
Brothers' welfare	-	7,679	261,847	269,526	293,679
Public visiting and advertising expenses	-	-	71,937	71,937	56,416
Costs of goods sold	-	-	25,402	25,402	16,025
Professional fees	-	-	357	357	-
Depreciation	-	-	36,081	36,081	36,081
Governance costs (note 10)	-	-	101,368	101,368	80,769
	-	16,783	1,118,820	1,135,603	1,297,783

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

9. Analysis of expenditure on charitable activities by activities

	Direct costs 2024 £	Support costs 2024 £	Total funds 2024 £	Total funds 2023 £
Upkeep of historic buildings	369,580	24,647	394,227	316,448
Refurbishment of Brothers' Flats	236,705	-	236,705	498,365
Brothers' welfare	228,527	40,999	269,526	293,679
Public visiting and advertising expenses	33,508	38,429	71,937	56,416
Costs of goods sold	25,402	-	25,402	16,025
Professional fees	357	-	357	-
Depreciation	36,081	-	36,081	36,081
Governance costs (note 10)	29,305	72,063	101,368	80,769
	959,465	176,138	1,135,603	1,297,783

10. Governance costs

	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Audit fees	-	20,798	20,798	18,557
Other professional fees	-	8,507	8,507	4,796
Support costs (note 11)	-	72,063	72,063	57,416
	-	101,368	101,368	80,769

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

11. Allocation of support costs and overheads

	Investment property management (Note 7) £	Charitable activities (Note 9) £	Governance (Note 10) £	Total £
2024				
Clerical Salaries	11,255	84,455	58,983	154,693
Office costs		19,620	13,080	32,700
	11,255	104,075	72,063	187,393
2023				
Clerical Salaries	9,171	61,219	46,921	117,311
Office costs		15,743	10,495	26,238
	9,171	76,962	57,416	143,549

12. Staff costs

Staff costs were as follows

	2024 £	2023 £
Wages and salaries	335,801	292,215
Social security costs	28,425	23,517
Pension costs	18,596	15,638
	382,822	331,370

The average number of employees during the year was 17 (2023: 17). The full time equivalent of these was 11 (2023: 11).

Key management personnel received total remuneration of £70,403 during the year (2023: £66,100).

No employee received emoluments of more than £60,000 (2023: £nil).

Pension costs in the year were £18,596 (2023: £15,638).

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

13. Pension costs

The Hospital participates in the Pension Builder Scheme section of the Church Workers Pension Fund (CWPF) for lay staff. The Scheme is administered by the Church of England Pensions Board (the Board), which holds the assets of the schemes separately from those of the Employer and the other participating employers.

The Pension Builder Scheme has two subsections: a deferred annuity section known as Pension Builder Classic (PB Classic) and a cash balance section known as Pension Builder 2014 (PB14).

PB Classic provides a pension for members for payment from retirement, accumulated from contributions paid and converted into a deferred annuity during employment based on terms set and reviewed by the Board from time to time. Discretionary increases may also be added, depending on investment returns and other factors.

PB14 is a cash balance scheme that provides a lump sum which members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. Discretionary bonuses may be added before retirement, depending on investment returns and other factors. The account, plus any bonuses declared, is payable, unreduced, from age 65.

There is no sub-division of assets between employers in either section of the Pension Builder Scheme.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the Statement of Financial Activities in the year are the contributions payable (2024: £18,596; 2023: £15,638). Contributions outstanding at the year-end were £1,313 (2023: £626).

A valuation of the Pension Builder Scheme is carried out once every three years. The most recent was carried out as at 31 December 2022, and was finalised in March 2024. The next valuation is due as at 31 December 2025.

For the PB Classic section, the valuation revealed a surplus of £34.8m (30%) on the ongoing assumptions used, a significant improvement over the £4.8m deficit in 2019.

At its annual review, effective from 1 January 2024, the Board granted a discretionary increase of 6.7% to pensions not yet in payment and pensions in payment for service between 1997 and April 2006; for service since April 2006 the increase was 2.7% (where usually it would be calculated based on inflation up to 2.5%). This followed improvements in the funding position during 2023. There is currently no requirement for deficit payments to be made.

For the PB14 section, the valuation revealed a surplus of £8.5m (21%) on the ongoing assumptions used. There is currently no requirement for deficit payments to be made.

The legal structure of the scheme is such that if another employer fails, the Hospital could become responsible for paying a share of that employer's pension liabilities.

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

14. Net gains on investment assets

	Permanent funds 2024 £	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Unrealised gains/(losses) on revaluation of investment properties	299,000	-	-	299,000	725,038
Realised gains/(losses) on investments	-	-	-	-	22,470
Unrealised gains/(losses) on investments	332,208	498	53,870	386,576	1,224,398
	631,208	498	53,870	685,576	1,971,906

15. Gross transfers between funds

	Restricted funds £	Unrestricted funds £
Appropriations to restricted funds	1,625	(1,625)
Transfers to cash	(270,000)	270,000
	(268,375)	268,375

Appropriations to restricted funds represent the annual contribution to the Extraordinary Repair Fund and are offset by a transfer from restricted funds due to funds being de-restricted following the conditions of the restriction being met.

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

16. Tangible fixed assets

	Fixtures, fittings & plant £	Total £
Cost or valuation		
At 1 January 2024	541,213	541,213
Additions	-	-
On revaluations	-	-
	<hr/>	<hr/>
At 31 December 2024	541,213	541,213
	<hr/>	<hr/>
Depreciation		
At 1 January 2024	186,061	186,061
Charge for the year	36,081	36,081
	<hr/>	<hr/>
At 31 December 2024	222,142	222,142
	<hr/>	<hr/>
Net book value		
At 31 December 2024	319,071	319,071
	<hr/>	<hr/>
At 31 December 2023	355,152	355,152
	<hr/>	<hr/>

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

17. Fixed asset investment properties

	Investment properties <i>Hospital</i> £	Investment properties <i>Noble Poverty</i> £	Total £
Cost or valuation			
At 1 January 2024	5,709,000	1,190,000	6,899,000
Additions	-	-	-
Disposals	-	-	-
On revaluations	239,000	60,000	299,000
	<hr/>		
At 31 December 2024	5,948,000	1,250,000	7,198,000
	<hr/>		
Net book value			
At 31 December 2024	5,948,000	1,250,000	7,198,000
	<hr/>		
At 31 December 2023	5,709,000	1,190,000	6,899,000
	<hr/>		

Investment properties

The investment properties were professionally revalued as at 31 December 2023 at open market value and the values were reviewed and adjusted as at 31 December 2024 in line with indexed growth in the residential property market.

Heritage assets

The heritage assets are the property of the Hospital of St Cross Foundation and Almshouse of Noble Poverty Foundation jointly and comprise 25 Almshouses, the Church of St Cross, hall, gatehouse and ancillary buildings, and St Faith's Churchyard. The conservation of these buildings is one of the Hospital's primary objectives. The buildings were constructed in earlier centuries and their original cost has long since been written off and are therefore held at £nil net book value. No significant building unit has been added during the past sixty years.

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

18. Fixed asset investments

	Permanent funds £	Restricted funds £	Unrestricted funds £	Total funds £
CCLA Funds at market value				
At 1 January 2024	12,895,504	320,992	2,068,101	15,284,597
Recoupments	-	1,625	-	1,625
Additions	-	-	-	-
Disposals	-	-	-	-
Transfers Between Funds	-	-	-	-
Transfers to Cash	-	(270,000)	-	(270,000)
Transfers from Cash	-	-	34,509	34,509
Change in market value	332,208	498	53,870	386,576
	13,227,712	53,115	2,156,480	15,437,307

19. Stocks

	2024 £	2023 £
Goods for resale	8,931	8,330
	8,931	8,330

20. Debtors

	2024 £	2023
Trade debtors	14,114	11,451
Other debtors	1,574	2,201
Prepayments and accrued income	5,407	4,704
	21,095	18,356

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

21. Creditors

	2024 £	2023 £
Trade creditors	19,629	45,322
Taxation and social security	6,318	6,443
Other creditors	1,533	679
Accruals and deferred income	34,669	42,072
	62,149	94,516

Deferred income relates to deposits paid for future events/weddings; the balance held at the end of the year was £4,062 (2023: £4,175).

22. Permanent endowment funds

	At 1 Jan 2024 £	Movement for the year £	At 31 Dec 2024 £
Hospital of St Cross Foundation	17,897,094	555,241	18,452,335
Almshouse of Noble Poverty Foundation	1,897,410	75,967	1,973,377
	19,794,504	631,208	20,425,712

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

23. Restricted funds

	At 1 Jan 2024 £	Movement for the year £	At 31 Dec 2024 £
Extraordinary repair funds (a)	270,424	(268,120)	2,304
John Hatton fund (b)	70,189	3,064	73,253
Brothers' welfare fund (c)	1,947	(149)	1,798
Vestry Fund (d)	3,433	1,662	5,095
	345,993	(263,543)	82,450

- a) Exceptional repairs to property (Scheme of 5 November 1984, clause 46: annual contributions of not less than £1,625).
- b) To provide for the Hospital's general purposes for the benefit and advancement of the social life of the Brothers.
- c) To provide for the welfare of the Brothers through donations given through collection boxes. Donations totalling £3,759 were received in the year and £3,908 disbursed.
- d) To provide for the repairs and improvements to the Chapel and its furnishings. Donations totalling £10,496 were received in the year and £8,834 expended.

24. Unrestricted funds

	At 1 Jan 2024 £	Movement for the year £	At 31 Dec 2024 £
Designated funds:			
Commander J S Baker Bequest	541,519	12,227	553,746
Miss G M Bauer Bequest	189,829	10,668	200,497
Refurbishment Reserve	150,000	50,000	200,000
	881,348	72,895	954,243
General fund	1,597,346	76,588	1,673,934
	2,478,694	149,483	2,628,177

The Refurbishment Reserve comprises amounts appropriated from the General Fund towards the cost of refurbishing the Brothers' flats.

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

25. Analysis of net assets between funds

	Permanent funds 2024 £	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Tangible fixed assets	-	-	319,071	319,071	355,152
Fixed asset investment properties	7,198,000	-	-	7,198,000	6,899,000
Fixed asset investments	13,227,712	53,116	2,156,479	15,437,307	15,284,597
Current assets	-	29,334	214,776	244,110	174,958
Creditors due within one year	-	-	(62,149)	(62,149)	(94,516)
	20,425,712	82,450	2,628,177	23,136,339	22,619,191

Analysis of net assets between funds (prior year comparative)

	Permanent funds 2023 £	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Tangible fixed assets	-	-	355,152	355,152	391,233
Fixed asset investment properties	6,899,000	-	-	6,899,000	6,186,000
Fixed asset investments	12,895,504	320,992	2,068,101	15,284,597	14,258,576
Current assets	-	25,001	149,957	174,958	271,665
Creditors due within one year	-	-	(94,516)	(94,516)	(68,122)
	19,794,504	345,993	2,478,694	22,619,191	21,039,352

26. Analysis of changes in net cash

	At 1 Jan 2024 £	Cash flow £	At 31 Dec 2024 £
Cash at bank and in hand	113,971	61,252	175,223
Cash held with investment manager	34,301	4,560	38,861
Net Cash	148,272	65,812	214,084

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

27. Financial instruments

	2024 £	2023 £
Basic financial assets	15,667,080	15,446,521
Basic financial liabilities	(55,831)	(88,073)

Basic financial assets are all investments (excluding investment properties), debtors plus cash in hand minus prepayments.

Basic financial liabilities are all creditors due in less than one year plus creditors due in more than one year minus taxation payable.

The entity's income, expense, gains and losses in respect of financial instruments are summarised below:-

	2024 £	2023 £
Total dividend and interest income for basic financial assets	446,760	438,078
Total gains/(losses) in respect of basic financial assets	386,576	1,224,398

28. Financial Commitments

Non-cancellable operating lease rentals receivable

	2024 £	2023 £
Less than one year	84,976	64,901
After one year and less than five years	41,075	34,900
After five years	36,875	39,840
	162,926	139,641

The lease rentals receivable relates to rent income receivable from the Hospital's investment properties. The amounts receivable are limited to the next rent review date for agricultural properties or the earlier of the lease end date or break clause for other properties.

29. Commitments and contingencies

There were no material commitments at 31 December 2024 (2023: £151,000).

There were no contingent liabilities at 31 December 2024 or 31 December 2023.

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

30. Related party transactions and Trustees' expenses and remuneration

No Trustee received any remuneration or reimbursement of expenses from the Hospital during the year.

Ms Felicity Pennycook, Mr Jonathan Cooke, Sir Jonathan Portal and Mr Jonathan Sleath are also Trustees of the Friends of St Cross Hospital Winchester. The Friends made a grant of £17,000 (2023: £17,000) to the Hospital during the year.

During the year, total donations by the trustees to the charity amounted to £3,575 (2023: £5,296).

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

31. Additional prior year comparatives – statement of financial activities

	Note	Permanent funds 2023 £	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:						
Donations, grants and legacies	2	-	12,644	66,807	79,451	52,487
Fundraising activities	3	-	-	31,787	31,787	28,289
Investment income	4	-	3,520	580,109	583,629	570,024
Charitable activities	5	-	-	286,497	286,497	279,077
Total income		-	16,164	965,200	981,364	929,877
Expenditure on:						
<i>Raising funds:</i>						
Costs of generating voluntary income	6	-	-	16,112	16,112	15,371
Investment management costs	7	-	-	59,536	59,536	129,020
<i>Charitable activities:</i>						
Refurbishment of Brothers' Flats	8	-	-	498,365	498,365	-
Other Charitable Activities		-	11,689	787,729	799,418	775,737
Total expenditure		-	11,689	1,361,742	1,373,431	920,128
Net incoming (outgoing) resources before investment gains		-	4,475	(396,542)	(392,067)	9,749
Net gains (losses) on investments	14	1,751,612	36,384	183,910	1,971,906	(1,853,655)
Net income before transfers		1,751,612	40,859	(212,632)	1,579,839	(1,843,906)
Transfers between funds	15	-	(198,375)	198,375	-	-
Net movement in funds		1,751,612	(157,516)	(14,257)	1,579,839	(1,843,906)
Reconciliation of funds:						
Total funds at 1 January 2023		18,042,892	503,509	2,492,951	21,039,352	22,883,258
Total funds at 31 December 2023		19,794,504	345,993	2,478,694	22,619,191	21,039,352

HOSPITAL OF ST CROSS AND ALMSHOUSE OF NOBLE POVERTY

England & Wales - Charity number 202751

Accounts

Charity number: 202751

The Hospital of St Cross and Almshouse of Noble Poverty

**Trustees' report and
Financial statements**

For the year ended 31 December 2023

The Hospital of St Cross and Almshouse of Noble Poverty

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The Hospital of St Cross and Almshouse of Noble Poverty

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS

FOR THE YEAR ENDED 31 DECEMBER 2023

Charity registered number

202751

Registered office

Hospital of St Cross, St Cross Road, Winchester, SO23 9SD

Co-optative Trustees

Mr Jonathan Cooke (Chairman to 19 March 2024)
Sir Jonathan Portal (appointed March 2023: chairman from 19 March 2024)
Mr William Corbett
Mr Christopher Anderson (retired March 2023)
Mrs Gill Beck (PCC)
Mr Christopher Higgins
Mr Michael Killingley FCA
Mrs Imogen Lyndon Skeggs
Mrs Felicity Pennycook ACA (Honorary Treasurer)
Mrs Katherine Wake
Dr Tim Foster

Nominative Trustees

Cllr Fiona Mather (Winchester City Council)
Mr Adam Rattray (Winchester College)

Ex-officio Trustees

The Master of St Cross: The Reverend Dominik Chmielewski
The Dean of Winchester: The Very Reverend Catherine Ogle
The Right Worshipful Mayor of Winchester: Cllr Derek Green (2022/2023), Cllr Angela Clear (2023/2024), Cllr Russell Gordon-Smith (2024/2025)

Clerk to the Trustees

Mrs Catriona Morley

Bankers

National Westminster Bank plc, 105 High Street, Winchester, SO23 9AW

Solicitors

Godwins, 12 St Thomas Street, Winchester, SO23 9HF

Investment Managers

CCLA Investment Management Ltd, Senator House, 85 Queen Victoria Street, London, EC4V 4ET

Property advisors

Carter Jonas, 9a Jewry Street, Winchester, SO23 8RZ

Auditor

Crowe U.K. LLP, Aquis House, 49-51 Blagrove Street, Reading, RG1 1PL

The Hospital of St Cross and Almshouse of Noble Poverty

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

Principal activities and aims

The Hospital's principal activity continues to be the provision of a living community which offers a home and haven to elderly gentlemen on the premises of "England's oldest and most perfect Almshouse" and to provide a welcome to all who wish to visit the Hospital and enjoy its surroundings.

The Hospital was originally founded around 1132 by Henri de Blois, Bishop of Winchester. Its aims are to maintain the property, care for the Brothers, welcome visitors and continue the worship at the Church of St Cross for the Brothers and, for the past 500 years, the parishioners of St Faith.

Review of achievements and performance for the year

Heritage Profile

Visitor numbers increased slightly in 2023 compared to the previous year, but are still well short of the number of visitors in 2019, before the pandemic. It was widely reported that a lot of visitor attractions and heritage sites were suffering from reduced visitor numbers. The cost of living crisis, bad weather and residual effects of the pandemic all contributed to this. The Hospital did benefit from its first year of association with Historic Houses (HH), with an average of 7 members per week making a visit to St Cross and a number of articles in the HH magazines and website promoting the Hospital to its members.

In his first year as Master of St Cross and Rector of the Parish of St Faith, Rev'd Dominik Chmielewski worked hard to improve the furnishings, aesthetics and facilities within the church of St Cross. He carefully funded the improvements through enthusiastic fundraising and worked with the St Cross team to introduce a new electronic donation station in the church to provide visitors, parishioners and concert goers with the facility to make donations by card to replace outdated cash collection points.

The project to commemorate the Hospital's 900 year anniversary (in 2032) continues with work on the feasibility of ideas to celebrate the occasion. In September the Hospital took part in the National Heritage Open Days scheme, which offers free entry for one day in order to celebrate and promote the UK's history and culture.

In line with its tradition of providing hospitality to pilgrims and travellers the Hospital of St Cross was pleased to be approached by the Confraternity of St James (CSJ) to provide a home for a bronze Camino shell to mark the route of the St James Way as part of the Camino de Santiago pilgrimage. The Camino de Santiago (the Way of St. James) is an extensive network of ancient pilgrim routes stretching across Europe and coming together at the tomb of St. James (Santiago in Spanish) in Santiago de Compostela in northwest Spain. St. James Way is a route created by the CSJ; it links the Jacobean shrine at Reading Abbey with the coastal port of Southampton. The Abbey was connected to St. James during the Middle Ages. Pilgrims will be able to have their passports stamped in the Porter's Lodge shop whilst visiting the Hospital of St Cross, which has welcomed travellers and pilgrims for centuries.

Review of charitable activities

Flat refurbishment

During 2023 a major project to refurbish and modernise four flats – one staircase – was started. This has been a complex project but, after some delays, was completed in March 2024, at a cost of some £700,000. The trustees will reflect on the lessons learned from this first phase before deciding on the nature and timing of the next stage of flat refurbishment.

The Hospital of St Cross and Almshouse of Noble Poverty

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

This refurbishment project has been funded from the Hospital's own resources. During 2022 the Charity Commission approved the Trustees' request that up to £1 million of the Hospital's permanent endowment could be used towards funding some of the refurbishment work; any future refurbishment expenditure will be funded from the (restricted) extraordinary repair fund and from the refurbishment reserve which was established in 2021 and augmented in 2023.

The refurbishment of all 6 staircases will extend over several years, firstly because of the logistical constraints of housing all the Brothers while the work takes place, and secondly because it is beyond the ability of the Hospital to fund the work solely from its own reserves. The latest estimate of the cost of the whole project is about £4 million.

As always, there has been a heavy programme of other repairs during 2023, at a cost of some £192,000 across various areas of the Hospital's estate. The £50,000 planned installation of disabled access to the Brethren's Hall was delayed and will take place early in 2024; a substantial proportion of this cost has been generously funded by donations from the Friends of St. Cross Hospital in 2022 and 2023.

Welfare and visitors

Because of the planned refurbishment programme, there were fewer flats available for new Brothers during 2023. One was welcomed to the Hospital during the year, and the application of a second was accepted for occupation in April 2024.

Three Brothers have sadly died recently: one early in 2023 and two in the first half of 2024.

The Hospital had about 5,400 paying visitors in 2023, 7% more than in 2022 but, as noted earlier, still well below the 8,000 visitors in 2019. There were 10 weddings at St. Cross during the year, fewer than in 2022 (16), and a successful Michaelmas Fair in September.

Friends of St Cross Hospital

The Friends of St. Cross has about 770 individual members, a small decline compared with last year's 800. They provide a wide range of educational and fund-raising activities both within and outside the premises of the Hospital.

As noted above, during 2023 the Friends generously donated £17,000 to the Hospital as a contribution to the project to provide disabled access to the Brethren's Hall, in addition to the £15,000 contribution they made towards this project the previous year.

Financial review

Financial activities

The Hospital incurred a deficit in 2023 of £392,000 before investment gains (2022 surplus: £10,000). However, this was after expenditure of £498,000 on phase 1 of the flat refurbishment project; this project has been planned for some years and is being funded from permanent endowment and restricted funds.

There was thus an underlying surplus, before these exceptional refurbishment costs, of £106,000.

The Hospital of St Cross and Almshouse of Noble Poverty

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

This result was significantly better than the budgeted deficit of £55,000. The principal variances were lower expenditure on repairs (£41,000 variance: primarily the delay in the disabled access project); utility costs (£29,000: these had been expected to be twice as high as in 2022 as a result of the high wholesale gas prices at the time contracts were renewed in the second half of 2022, but mild weather and prudent use of gas and electricity mitigated the increase); and better than expected public visiting income (£35,000).

Resources expended during the year, excluding exceptional refurbishment costs, declined by 5% to £875,000 (2022: £920,000), primarily as a result of repair costs below those of 2022, and below budget. This is not necessarily beneficial: the repair and safeguarding of Grade 1 listed medieval buildings is costly and, aided by our architects' quinquennial inspection reports, it is important that the Hospital keeps up to date with its repair and maintenance programme.

Balance Sheet

Net assets increased by 8% to £22.6 million (2022: £21.0 million), largely as a result of the strength of the Hospital's investment and property portfolios. The former, invested in funds managed by CCLA, appreciated in value by 9% (before the withdrawal of £200,000 towards the cost of the flat refurbishment); the property portfolio was externally valued as at the end of 2023 by the Hospital's property advisers Carter Jonas, who recommended a 12% increase in its valuation to £6.9 million. Financial reporting standards require investment properties to be professionally valued at least every 5 years.

The trustees monitor CCLA's performance regularly; over the past year the appreciation in value in our CCLA portfolio was slightly below their benchmark, but over 3 and 5 years they have comfortably outperformed.

Cash at bank and in hand at 31 December 2023 was £148,000 (2022: £245,000).

Resources and Reserves policy

Of the total funds at 31 December 2023 of £22.6 million, £19.8 million was permanent endowment and £346,000 restricted funds.

Unrestricted funds were £2.5 million of which £881,000 were designated funds. The balance relates to the General Fund which includes £355,000 of tangible fixed assets (mostly new visitor toilets and boilers over the last few years).

The Trustees' policy is to plan expenditure within available resources whilst retaining reserves to provide a degree of flexibility to meet the cost of major repairs. These can be significant when maintaining ancient Grade 1 listed buildings.

Investment policy

The foundation buildings and the investment properties are managed to best effect with the aid of quinquennial inspections and reports.

Monetary investments are currently held in common investment funds, where the fund managers practise socially responsible investment. The policy applicable to equity-based investments is to produce the best income compatible with longer-term capital growth and security. The policy applicable to fixed interest and variable interest-bearing investments is to aim for maximum income subject to protection of capital (such investments are made into highly rated bonds or deposits).

The Hospital of St Cross and Almshouse of Noble Poverty

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

Outlook and future plans

The Hospital will continue the aims as stated above, namely the maintenance and refurbishment of the fabric of the church and hospital buildings, and the welfare of the Brothers.

Financial outlook

The Hospital is budgeting to make a small surplus in 2024, lower than the trustees would like to achieve, but constrained by the pressure which inflation has put on the Hospital's costs, and by the substantial programme of necessary repairs which has been scheduled. It is pleasing to note that utility costs have fallen back from the high levels experienced in late 2022 and most of 2023, albeit that they are still much higher than 2 years ago.

Refurbishment of Brothers' flats

As noted above, the first phase of the flat refurbishment project was completed early in 2024, and a decision on next steps will be taken in due course, once the trustees have considered the lessons learned from the project. The whole refurbishment project will extend over several years, firstly because of the logistical constraints of housing all the Brothers while the work takes place, and secondly because it is beyond the ability of the Hospital to fund the work solely from its own reserves.

The Trustees are considering how best to raise the additional funds which will be required.

Landscape and Conservation

Progress has been made this year on the Landscape and Conservation masterplan and the appointed Heritage Planning Consultant has now completed a Draft Statement of Significance for the Hospital which will enable the consideration of options for potential enhancement works and development to support the long term plans and upkeep of the estate. The first year of the new farm tenancy with a neighbouring landowner has been successful with careful grazing of the Hospital's meadows by cattle for nature conservation. Funding was awarded by the South Downs National Park from their *Farming in Protected Landscape* Fund for the making of a video (watched via a QR code) to enable closer engagement with the public, and in particular dog walkers, to make them aware of the importance of the land at St Cross and the rare habitat it provides alongside the River Itchen.

In commemoration of the Coronation of King Charles III special trees were planted in each county throughout the UK. The Park at St Cross was chosen as the site for the Hampshire tree and an oak was planted by HM Lord Lieutenant of Hampshire in October. The removal of the ash and other diseased trees along the stream has been delayed until Autumn 2024 due to the unseasonably wet weather conditions.

Public benefit and the relief of poverty

The two foundations of the Hospital of St Cross (established 1132) and the Almshouse of Noble Poverty (established 1455) were founded to provide relief for the poor and needy, through the provision of accommodation and sustenance. The Trustees of the (now combined) foundations are also fully committed to the maintenance in their original style of the Hospital's unique set of grade-one-listed medieval buildings and have in place a continuing programme of repair and improvement.

The Hospital is at the heart of the local community. As an historic almshouse, it provides accommodation for twenty-five elderly men. The visiting public are welcome for 363 days in the year to visit the ancient buildings, walk in the gardens, request the Wayfarer's Dole and take refreshment provided by the Hospital volunteers in the medieval Hundred Men's Hall.

The Hospital of St Cross and Almshouse of Noble Poverty

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

The Hospital enjoys an excellent association with the Parish of St Faith, who have worshipped at St Cross since 1507 when their own church fell into disrepair. The Parish regard St Cross Church as their principal place of worship with a typical Sunday attendance of well over 100 worshippers. The Hospital's Master, the Reverend Dominik Chmielewski, is also rector of the Parish. The Parish do much to assist in the upkeep of the church. In addition the Parish hold the annual local fete, which is enjoyed by up to 2000 people in the grounds of the Hospital.

The church and other buildings within the Hospital are in regular use by the Friends and other local groups for worship, concerts, educational purposes and events. There is a very strong musical tradition which continues to flourish with a very fine church organ and an active church choir. The church is in high demand for concerts and musical performances. The programme of free lunchtime concerts ('Perfect Pitch') in the church, organised by the Brothers, ran weekly between April and October 2023, with 28 concerts, attended by about 1700 people and involving 160 different musicians. The programme raised a significant amount by way of donations; this enabled, *inter alia*, the purchase of a new piano for the church. The concert programme resumed in April 2024.

The Brothers' Library is equipped to provide a flexible education room. School parties can visit to learn about the Hospital using a carefully-designed activity programme which is based on the current Key Stage 2 school curriculum. These school visits can be managed in conjunction with Hampshire and Isle of Wight Wildlife Trust (HIWWT). HIWWT conduct educational wildlife tours of the Water Meadows which are followed by a visit to the Hospital. Local schools and a higher education college use the church and medieval halls for services and degree ceremonies.

Outside the main site, the Hospital provides several other significant facilities which help to nurture a strong sense of local community. These include the provision of the Parish Hall and 80 traditional allotments in a beautiful setting by the river. The Parish Hall is in constant community use for the local pre-school nursery, Girl Guides, Brownies and other local activities such as yoga and dance classes.

The meadows which surround the Hospital provide a peaceful setting in which the public are able to walk and relax free of charge. Adjacent to the meadow, the Hospital lets its land to the local St. Cross Symondians Cricket Club where regular matches are held for both adult and youth cricket.

To keep itself current the Hospital is also now engaging more fully with social media outlets to provide interesting content and updates and it continues to improve its website. In early 2024 a separate website to promote the events and provide information about the Brothers' Perfect Pitch lunchtime concerts was launched at www.perfectpitchconcerts.co.uk.

The Hospital records since its original foundation are documents of considerable historical interest and importance. To reduce the risk of their loss or destruction, the records are held and preserved by the Hampshire Record Office and are available for public view within certain limitations to protect individual privacy. Plans are in place to continue adding to the archives.

Structure, governance and management

Governing document

The Hospital of St Cross (the Hospital) is a registered charity whose objects are set out in the Charity Commission Scheme dated 5 November 1984 ('the Scheme'), as varied by the Scheme of 14 March 1990, an Order of 1 November 2006, a Memorandum of 5 September 2006 and Resolutions of 23 June 2009, 20 March 2012 and 23 March 2022.

The Hospital of St Cross and Almshouse of Noble Poverty

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

There are two foundations, the Hospital of St Cross and the Almshouse of Noble Poverty. The Hospital's property and assets are owned by the two foundations as the Corporation of the Master and Brethren [Brothers] of the House or Hospital of St Cross and the Trustees administer it on behalf of the Corporation.

The Trustees' responsibilities for application of income are set out in the Scheme. The first such responsibility is to defray out of the income of the Hospital the cost of maintaining the property and all other costs payable in respect of the property and all the proper costs of administration and management of the Hospital. Subject to the payments aforesaid, the Trustees shall apply the income of the Hospital for the benefit of the Brothers in such manner as the Trustees think fit.

Trustees

The names of the Trustees who served during the year and to the date of this report are shown on page 1. Co-optative Trustees are appointed by the Trustees and serve for five years. One nominative Trustee is appointed by Winchester City Council and serves for four years. The other nominative Trustee is appointed by the Warden of Winchester College. The Trustees meet quarterly and have appointed committees covering finance, property, risk management, visitors and welfare. Each Trustee usually sits on two committees.

Trustee recruitment

Co-optative Trustees are recruited after a thorough selection and interview process which ensures that a balance of relevant skills is maintained across the Board.

Trustee training

Each Trustee, upon appointment, receives a Trustee's welcome and induction pack, indicating the range of their responsibilities; in addition some of the Trustees attend annual seminars on accounting for charities and recent charity legislation and practice. During 2023 it was agreed that all Trustees would be required to undertake the Church of England Basic and Foundation online courses on safeguarding.

Organisational management

Under the Scheme, responsibility for the management and control of the Hospital and the Brethren rests with the Trustees. The day-to-day running of the Hospital, the maintenance of the premises and management of the employees is delegated to the Clerk to the Trustees, under the general supervision of the Trustees. The Master of St Cross (himself a Trustee) is charged with the pastoral welfare of the Brethren.

Brothers' accommodation is kept to a high standard and advertised regularly to ensure that any vacancies are filled by suitable applicants.

Risk management

The Trustees have examined the principal areas of the Hospital's operations and considered the major risks faced in each of these areas.

The Risk Management Committee biannually establishes, assesses and categorises all risks. In the opinion of the Trustees, the Hospital has established resources and review systems which allow these risks to be mitigated to an acceptable level in day-to-day operations.

The Hospital of St Cross and Almshouse of Noble Poverty

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

Maintenance of income streams is vital in order to continue to meet the Hospital's objects. Reserves are invested in a mix of stock market investment funds and investment properties to spread risk whilst producing a regular income stream. Trustees work with the Investment Managers and Property Advisers to ensure that an appropriate asset allocation is maintained.

The repair and safeguarding of Grade 1 listed medieval buildings is costly and good maintenance is an important part of this. All Heritage buildings are subject to quinquennial inspection and there is a continual programme of repair and improvement. Regular insurance reviews are carried out.

Annual fire risk assessments are carried out and the Hospital works closely with the local Fire Service to ensure quick and effective access in the event of an emergency. The Hospital also complies with the latest Health and Safety Management System backed by regular internal and external audits.

Trustees' responsibilities for the financial statements

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

The law applicable to charities in England and Wales 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 resource of the charity for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities Statement of Recommended Practice;
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether applicable UK 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 operation.

The Trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and 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 Scheme. 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.

The report was approved by the Trustees at their meeting on 18 June 2024 and signed on their behalf by:



Sir Jonathan Portal – Chairman

The Hospital of St Cross and Almshouse of Noble Poverty

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE HOSPITAL OF ST CROSS
AND ALMSHOUSE OF NOBLE POVERTY

FOR THE YEAR ENDED 31 DECEMBER 2023

Opinion

We have audited the financial statements of The Hospital of St Cross and Almshouse of Nobel Poverty for the year ended 31 December 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cashflow Statement, and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2023 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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 Auditor's 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 contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or

The Hospital of St Cross and Almshouse of Noble Poverty

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE HOSPITAL OF ST CROSS AND ALMSHOUSE OF NOBLE POVERTY

FOR THE YEAR ENDED 31 DECEMBER 2023

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 in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; 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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 8 the trustees 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 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.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor 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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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 obtained an understanding of the legal and regulatory frameworks within which the charity operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

The Hospital of St Cross and Almshouse of Noble Poverty

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE HOSPITAL OF ST CROSS
AND ALMSHOUSE OF NOBLE POVERTY

FOR THE YEAR ENDED 31 DECEMBER 2023

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity for fraud. The laws and regulations we considered in this context for the UK operations were Charities Act 2011, The Charities (Accounts and Reports) Regulations 2008, The Charities SORP (FRS102) and Financial Reporting Standard 102.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of specific income streams and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Finance & Risk Committee about their own identification and assessment of the risks of irregularities, sample testing relevant income with agreement to supporting documentation, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Crowe U.K. LLP
Statutory Auditor

Thames Valley

25 June 2024

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

The Hospital of St Cross and Almshouse of Noble Poverty

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	Permanent funds 2023 £	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:						
Donations, grants and legacies	2	-	12,644	66,807	79,451	52,487
Fundraising activities	3	-	-	31,787	31,787	28,289
Investment income	4	-	3,520	580,109	583,629	570,024
Charitable activities	5	-	-	286,497	286,497	279,077
Total income		-	16,164	965,200	981,364	929,877
Expenditure on:						
<i>Raising funds:</i>						
Costs of generating voluntary income	6	-	-	16,112	16,112	15,371
Investment management costs	7	-	-	59,536	59,536	129,020
<i>Charitable activities:</i>						
Refurbishment of Brothers' Flats	8	-	-	498,365	498,365	-
Other Charitable Activities		-	11,689	787,729	799,418	775,737
Total expenditure		-	11,689	1,361,742	1,373,431	920,128
Net incoming (outgoing) resources before investment gains		-	4,475	(396,542)	(£392,067)	9,749
Net gains (losses) on investments	14	1,751,612	36,384	183,910	1,971,906	(1,853,655)
Net income before transfers		1,751,612	40,859	(212,632)	1,579,839	(1,843,906)
Transfers between funds	15	-	(198,375)	198,375	-	-
Net movement in funds		1,751,612	(157,516)	(14,257)	1,579,839	(1,843,906)
Reconciliation of funds:						
Total funds at 1 January 2023		18,042,892	503,509	2,492,951	21,039,352	22,883,258
Total funds at 31 December 2023		19,794,504	345,993	2,478,694	22,619,191	21,039,352

The Hospital of St Cross and Almshouse of Noble Poverty

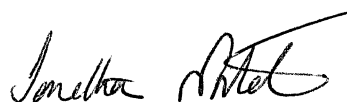
BALANCE SHEET

FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	£	2023 £	£	2022 £
Fixed assets					
Tangible assets	16		355,152		391,233
Investment Properties	17		6,899,000		6,186,000
Investments	18		15,284,597		14,258,576
			22,538,749		20,835,809
Current assets					
Stocks	19	8,330		8,825	
Debtors	20	18,356		17,435	
Cash at bank and in hand	26	148,272		245,405	
		174,958		271,665	
Creditors: amounts falling due within one year	21	(94,516)		(68,122)	
Net current (liabilities)/assets			80,442		203,543
Net assets			22,619,191		21,039,352
Charity funds					
Permanent funds	22		19,794,504		18,042,892
Restricted funds	23		345,993		503,509
Unrestricted funds	24		2,478,694		2,492,951
Total funds			22,619,191		21,039,352

The financial statements were approved by the Trustees at their meeting on 18 June 2024 and signed on their behalf, by:

Sir Jonathan Portal – Chairman



Felicity Pennycook – Honorary Treasurer



The notes on pages 15 to 34 form part of these financial statements.

The Hospital of St Cross and Almshouse of Noble Poverty

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	2023 £	2022
Cash flows from operating activities			
Net income (outgoings) for the year (from Statement of Financial Activities)		(392,067)	9,749
Adjustment for:			
Dividends, interest and rents from investments		(583,629)	(570,024)
Decrease/(Increase) in stock		495	2,320
Decrease/(Increase) in debtors		(921)	(3,678)
(Decrease)/Increase in creditors		26,396	(59,006)
Depreciation of tangible fixed assets		36,081	36,081
Net cash provided by operating activities		(913,645)	(584,558)
Cash flows from investing activities			
Purchase of fixed asset investments		(1,625)	(1,625)
Transfers to cash from investments		200,000	-
Purchase of tangible fixed assets		-	-
Disposal of tangible fixed assets		34,508	-
Dividends, interest and rents receivable		583,629	570,024
Net cash used in investing activities		816,512	568,399
Change in cash and cash equivalents in the year	26	(97,133)	(16,159)
Cash and cash equivalents brought forward		245,405	261,564
Cash and cash equivalents carried forward		148,272	245,405

The Hospital of St Cross and Almshouse of Noble Poverty

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

1. Accounting Policies and Key Judgements

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with 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 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The Hospital of St Cross and Almshouse of Noble Poverty meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 Going concern

The Trustees consider that there are no material uncertainties about the Hospital's ability to continue as a going concern. The most significant areas of uncertainty that affect the carrying value of assets held by the Hospital are the level of investment return and the performance of investment markets.

1.3 Tangible assets

Heritage assets

The freehold properties described in Note 17 on page 27 are not included in the balance sheet at a monetary value as neither their costs, which have been fully written off, nor their market values are available. Significant improvements to the fitting out of heritage assets are capitalised where appropriate as fixtures and fittings.

Fixtures, fittings and plant

Individual assets costing more than £5,000 are capitalised and included at cost, including any incidental costs of acquisition.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Fixtures & Fittings	- 15 years straight line
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The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

1. Accounting Policies and Key Judgements

Investment properties

Investment properties are included in the balance sheet at their open market values by a professional revaluation every five years and by the Trustees in the intervening years. The surplus or deficit on revaluation of individual properties is transferred to the permanent endowment fund via the Statement of Financial Activities. Depreciation is not provided in respect of freehold investment properties, in accordance with Section 16: Investment Property of FRS 102.

1.4 Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on the revaluation and disposals throughout the year.

The Hospital does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the Hospital is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

1.5 Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

1.6 Stocks

The cost of publications and souvenirs for public sale are valued at the lower of the cost and net realisable value after making due allowance for slow-moving items.

1.7 Contingent liabilities

A contingent liability is identified and disclosed resulting from a possible obligation which will only be confirmed by the occurrence of one or more uncertain future events not wholly within the Trustees' control, a present obligation where settlement is either not considered probable, or the amount has not been communicated and that amount cannot be estimated reliably.

The Hospital of St Cross and Almshouse of Noble Poverty

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

1. Accounting Policies and Key Judgements

1.8 Incoming resources

All incoming resources are recognised once the Hospital has entitlement to the resources, it is probable that the resources will be received and the monetary value of incoming resources can be measured with sufficient reliability.

“Incoming resources from generated funds” include donations, legacies, grants, investment income and sales to visitors and other external users of the Hospital’s facilities.

“Incoming resources from charitable activities” derive from the Hospital’s pursuit of its charitable objects.

Donations (including Gift Aid recoveries) are recognised when the Hospital has been notified in writing of both the amount and settlement date, or when they are received. In the event that a donation is subject to conditions that require a level of performance before the Hospital is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Hospital and it is probable that those conditions will be fulfilled in the reporting period.

Legacies are accounted for on a receivable basis. Pecuniary legacies are recognised following formal notification from the estate. Residuary legacies are recognised only when the Hospital’s interest can be measured, which is normally on grant of probate.

Grants receivable in respect of expenditure incurred during the year are brought into account provided they have been approved for payment at the year end.

Dividends and interest, bank deposit account interest, and rents receivable are brought into account on a receivable basis.

Income from public visiting and similar activities is recognised when received.

1.9 Resources expended

Liabilities are recognised as soon as there is a legal or constructive obligation committing the Hospital to the expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. The Hospital is not registered for VAT and accordingly expenditure is shown inclusive of VAT.

“Costs of generating funds” comprise costs of attracting voluntary income, costs of goods sold for fund raising purposes, and costs of managing the investment properties.

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

1. Accounting Policies and Key Judgements

“Charitable activities” comprise costs to maintain the charitable property and to provide accommodation and welfare for the Brothers.

Support costs, comprising salaries and office costs, have been allocated to the activity cost categories based on an estimate of the time spent.

1.10 Pension schemes

For eligible salaried employees the Hospital participates in the Church of England Pension Builder scheme within the Church Workers Pension Fund (CWPF).

Eligible employees who joined the Hospital up to May 2021 were entitled to become members of the Pension Builder Classic section of the scheme; this is a deferred annuity scheme, which is a defined benefit scheme.

Since June 2021 new employees have been entitled to become members of the scheme’s Pension Builder 14 section; this is a cash balance scheme and is also classed as a defined benefit scheme; it is similar to a defined contribution scheme but with a guarantee that the retirement cash sum will not usually decrease.

The pension costs charged against the surplus or deficit for the year represent the contributions payable to the scheme in respect of the accounting period. If there were to be a large funding deficit over a prolonged period, additional contributions might become payable, although to date the CWPF has never sought any such contributions.

1.11 Funds

The Hospital’s permanent endowment funds are set out in note 22 to the financial statements. They comprise the permanent endowment funds of the two constituent charities, the Hospital of St Cross Foundation and the Almshouse of Noble Poverty Foundation. The income from the investment assets of the funds is unrestricted.

Prior to 2022 the Hospital had three funds set up under Recoupment Orders issued by the Charity Commission to restore permanent endowment capital expended on major projects. During 2022 the Trustees, with the permission of the Charity Commission, approved an Order allowing the balance on the recoupment funds to be administered as part of the Hospital’s permanent endowment; they therefore no longer require to be accounted for separately.

Restricted funds are funds subject to specific conditions within the objects of the Hospital and are set out in note 23 to the financial statements.

The Hospital of St Cross and Almshouse of Noble Poverty

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

1. Accounting Policies and Key Judgements

Unrestricted funds are funds where no restrictions are placed on the use by the Hospital upon either the capital or the income and comprise:

- (i) The Commander J S Baker Bequest – a designated fund
- (ii) The Miss G M Bauer Bequest – designated by the Trustees for use on arboricultural and horticultural projects
- (iii) Refurbishment Reserve - designated by the Trustees for contributing to the cost of the refurbishment project of the Brothers' flats.
- (iv) General fund – to provide the Hospital's working capital.

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

1.12 Key Judgements

Certain reported amounts of assets and liabilities are subject to estimates and assumptions. Estimates and judgements by management are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Judgements that have the most significant effect on the amounts recognised in the financial statements and estimates that can cause a significant adjustment to the carrying amount of assets and liabilities within the next financial year include:

Investment property

The investment property valuation is reviewed annually by the Trustees. The properties are stated at fair value with changes in the fair value being recognised in the Statement of Financial Activities.

2. Income from donations, grants and legacies

	Permanent funds 2023 £	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Donations	-	9,894	18,326	28,220	19,737
Grants	-	2,500	36,000	38,500	32,750
Legacies	-	250	12,481	12,731	-
	-	12,644	66,807	79,451	52,487

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

3. Income from fundraising activities

	Permanent funds 2023 £	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Events	-	-	4,527	4,527	4,631
Shop sales	-	-	14,885	14,885	13,240
Tearoom sales	-	-	12,375	12,375	10,418
	-	-	31,787	31,787	28,289

4. Investment income

	Permanent funds 2023 £	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Rent receivable	-	-	145,551	145,551	132,593
Investment income	-	3,520	434,558	438,078	437,431
	-	3,520	580,109	583,629	570,024

5. Income from charitable activities

	Permanent funds 2023 £	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Recoveries from Brothers	-	-	169,845	169,845	170,510
Primary purpose trade	-	-	79,618	79,618	69,672
Ancillary trade	-	-	37,034	37,034	38,895
	-	-	286,497	286,497	279,077

The Hospital of St Cross and Almshouse of Noble Poverty

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

6. Costs of generating voluntary income

	Permanent funds 2023 £	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Expenses of public visiting	-	-	4,045	4,045	3,825
Costs of goods sold	-	-	12,067	12,067	11,546
	-	-	16,112	16,112	15,371

7. Investment management costs

	Permanent funds 2023 £	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Investment property repairs	-	-	38,450	38,450	97,800
Investment property management fees	-	-	11,915	11,915	21,177
Support costs (note 11)	-	-	9,171	9,171	10,043
	-	-	59,536	59,536	129,020

8. Analysis of expenditure on charitable activities

	Permanent funds 2023 £	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Upkeep of historic buildings	-	8,279	308,169	316,448	344,131
Refurbishment of Brothers' Flats	-	-	498,365	498,365	-
Brothers' welfare	-	3,410	290,269	293,679	228,048
Public visiting and advertising expenses	-	-	56,416	56,416	61,319
Volunteer expenses	-	-	-	-	-
Costs of goods sold	-	-	16,025	16,025	13,530
Professional fees	-	-	-	-	600
Bad Debts	-	-	-	-	9,750
Depreciation	-	-	36,081	36,081	36,081
Governance costs (note 10)	-	-	80,769	80,769	82,278
	-	11,689	1,286,094	1,297,783	775,737

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

9. Analysis of expenditure on charitable activities by activities

	Direct costs 2023 £	Support costs 2023 £	Total funds 2023 £	Total funds 2022 £
Upkeep of historic buildings	296,730	19,718	316,448	344,131
Refurbishment of Brothers' Flats	498,365	-	498,365	-
Brothers' welfare	261,664	32,015	293,679	228,048
Public visiting and advertising expenses	31,187	25,229	56,416	61,319
Volunteer expenses	-	-	-	-
Costs of goods sold	16,025	-	16,025	13,530
Professional fees	-	-	-	600
Bad Debts	-	-	-	9,750
Depreciation	36,081	-	36,081	36,081
Governance costs (note 10)	23,353	57,416	80,769	82,278
	1,163,405	134,378	1,297,783	775,737

10. Governance costs

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Audit fees	-	18,557	18,557	12,852
Other professional fees	-	4,796	4,796	7,047
Support costs (note 11)	-	57,416	57,416	62,379
	-	80,769	80,769	82,278

The Hospital of St Cross and Almshouse of Noble Poverty

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

11. Allocation of support costs and overheads

	Investment property management (Note 7) £	Charitable activities (Note 9) £	Governance (Note 10) £	Total £
2023				
Clerical Salaries	9,171	61,219	46,921	117,311
Office costs		15,743	10,495	26,238
	9,171	76,962	57,416	143,549
2022				
Clerical Salaries	10,043	76,024	52,550	138,617
Office costs	-	14,744	9,829	24,573
	10,043	90,768	62,379	163,190

12. Staff costs

Staff costs were as follows:

	2023 £	2022 £
Wages and salaries	292,215	304,822
Social security costs	23,517	25,319
Pension costs	15,638	16,277
	331,370	346,418

The average number of employees during the year was 19 (2022: 19). The full time equivalent of these was 11 (2022: 11).

No employee received emoluments of more than £60,000 (2022: nil).

Pension costs in the year were £15,638 (2022: £16,277).

Redundancy and termination payments are accounted for in the period in which an obligation occurs. During the current financial year, redundancy and termination payments amounted to £nil (2022: 4,667). These costs were charged to unrestricted funds.

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

13. Pension costs

The Hospital participates in the Pension Builder Scheme section of the Church Workers Pension Fund (CWPF) for lay staff. The Scheme is administered by the Church of England Pensions Board (the Board), which holds the assets of the schemes separately from those of the Employer and the other participating employers.

The Pension Builder Scheme has two subsections: a deferred annuity section known as Pension Builder Classic (PB Classic) and a cash balance section known as Pension Builder 2014 (PB14).

PB Classic provides a pension for members for payment from retirement, accumulated from contributions paid and converted into a deferred annuity during employment based on terms set and reviewed by the Board from time to time. Discretionary increases may also be added, depending on investment returns and other factors.

PB14 is a cash balance scheme that provides a lump sum which members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. Discretionary bonuses may be added before retirement, depending on investment returns and other factors. The account, plus any bonuses declared, is payable, unreduced, from age 65.

There is no sub-division of assets between employers in either section of the Pension Builder Scheme.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the Statement of Financial Activities in the year are the contributions payable (2023: £15,638; 2022: £16,277). Contributions outstanding at the year-end were £626 (2022: £166).

A valuation of the Pension Builder Scheme is carried out once every three years. The most recent was carried out as at 31 December 2022, and was finalised in March 2024.

For the PB Classic section, the valuation revealed a surplus of £34.8m (30%) on the ongoing assumptions used, a significant improvement over the £4.8m deficit in 2019.

At its annual review, effective from 1 January 2024, the Board granted a discretionary increase of 5% to pensions not yet in payment and pensions in payment for service between 1997 and April 2006; for service since April 2006 the increase was 2.5%. This followed improvements in the funding position during 2023. There is currently no requirement for deficit payments to be made.

For the PB14 section, the valuation revealed a surplus of £8.5m (21%) on the ongoing assumptions used. There is currently no requirement for deficit payments to be made.

The legal structure of the scheme is such that if another employer fails, the Hospital could become responsible for paying a share of that employer's pension liabilities.

The Hospital of St Cross and Almshouse of Noble Poverty

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

14. Net gains on investment assets

	Permanent funds 2023 £	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Unrealised gains/(losses) on revaluation of investment properties	725,038	-	-	725,038	70,000
Realised gains/(losses) on investments	22,470	-	-	22,470	-
Unrealised gains/(losses) on investments	1,004,104	36,384	183,910	1,224,398	(1,923,655)
	1,751,612	36,384	183,910	1,971,906	(1,853,655)

15. Gross transfers between funds

	Restricted funds £	Unrestricted funds £
Appropriations to restricted funds	1,625	(1,625)
Transfers to cash	(200,000)	200,000
	(198,375)	198,375

Appropriations to restricted funds represent the annual contribution to the Extraordinary Repair Fund and are offset by a transfer from restricted funds due to funds being de-restricted following the conditions of the restriction being met.

The Hospital of St Cross and Almshouse of Noble Poverty

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

16. Tangible fixed assets

	Fixtures, fittings & plant £	Total £
Cost or valuation		
At 1 January 2023	541,213	541,213
Additions	-	-
On revaluations	-	-
	-----	-----
At 31 December 2023	541,213	541,213
	-----	-----
Depreciation		
At 1 January 2023	149,980	149,980
Charge for the year	36,081	36,081
	-----	-----
At 31 December 2023	186,061	186,061
	-----	-----
Net book value		
At 31 December 2023	355,152	355,152
	-----	-----
At 31 December 2022	391,233	391,233
	-----	-----

The Hospital of St Cross and Almshouse of Noble Poverty

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

17. Fixed asset investment properties

	Investment properties <i>Hospital</i> £	Investment properties <i>Noble Poverty</i> £	Total £
Cost or valuation			
At 1 January 2023	5,206,000	980,000	6,186,000
Additions	-	-	-
Disposals	(12,038)	-	(12,038)
On revaluations	515,038	210,000	725,038
	5,709,000	1,190,000	6,899,000
Net book value			
At 31 December 2023	5,709,000	1,190,000	6,899,000
At 31 December 2022	5,206,000	980,000	6,186,000

Investment properties

The investment properties were professionally revalued as at 31 December 2023 at open market value.

Heritage assets

The heritage assets are the property of the Hospital of St Cross Foundation and Almshouse of Noble Poverty Foundation jointly and comprise 25 Almshouses, the Church of St Cross, hall, gatehouse and ancillary buildings, and St Faith's Churchyard. The conservation of these buildings is one of the Hospital's primary objectives. The buildings were constructed in earlier centuries and their original cost has long since been written off and are therefore held at £nil net book value. No significant building unit has been added during the past sixty years.

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

18. Fixed asset investments

	Permanent funds £	Restricted funds £	Unrestricted funds £	Total funds £
CCLA Funds at market value				
At 1 January 2023	11,856,892	482,983	1,918,699	14,258,574
Recoupments	-	1,625	-	1,625
Additions	34,508	-	(34,508)	-
Disposals	-	-	-	-
Transfers Between Funds	-	-	-	-
Transfers to Cash	-	(200,000)	-	(200,000)
Change in market value	1,004,104	36,384	183,910	1,224,398
	12,895,504	320,992	2,068,101	15,284,597

19. Stocks

	2023 £	2022 £
Goods for resale	8,330	8,825
	8,330	8,825

20. Debtors

	2023 £	2022
Trade debtors	11,451	11,683
Other debtors	2,201	1,201
Prepayments and accrued income	4,704	4,551
	18,356	17,435

The Hospital of St Cross and Almshouse of Noble Poverty

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

21. Creditors

	2023 £	2022 £
Trade creditors	45,322	34,263
Taxation and social security	6,443	8,710
Other creditors	679	590
Accruals and deferred income	42,072	24,559
	94,516	68,122

Deferred income relates to deposits paid for future events/weddings; the balance held at the end of the year was £4,175 (2022: £4,528).

22. Permanent endowment funds

	At 1 Jan 2023 £	Movement for the year £	At 31 Dec 2023 £
Hospital of St Cross Foundation	16,414,965	1,482,129	17,897,094
Almshouse of Noble Poverty Foundation	1,627,927	269,483	1,897,410
	18,042,892	1,751,612	19,794,504

During 2022 the Trustees, with the permission of the Charity Commission, approved an Order allowing the balance on the recoupment funds to be administered as part of the Hospital's permanent endowment; they therefore no longer require to be accounted for separately.

The Hospital of St Cross and Almshouse of Noble Poverty

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

23. Restricted funds

	At 1 Jan 2023 £	Movement for the year £	At 31 Dec 2023 £
Extraordinary repair funds (a)	429,050	(158,626)	270,424
John Hatton fund (b)	70,910	(721)	70,189
Brothers' welfare fund (c)	3,549	(1,602)	1,947
Vestry Fund (d)	-	3,433	3,433
	503,509	(157,516)	345,993

- a) Exceptional repairs to property (Scheme of 5 November 1984, clause 46: annual contributions of not less than £1,625).
- b) To provide for the Hospital's general purposes for the benefit and advancement of the social life of the Brothers.
- c) To provide for the welfare of the Brothers through donations given through collection boxes. Donations totalling £875 were received in the year and £2,477 disbursed.
- d) To provide for the repairs and improvements to the Chapel and its furnishings. Donations totalling £7,149 were received in the year and £3,716 expended

24. Unrestricted funds

	At 1 Jan 2023 £	Movement for the year £	At 31 Dec 2023 £
Designated funds:			
Commander J S Baker Bequest	495,971	45,548	541,519
Miss G M Bauer Bequest	166,870	22,959	189,829
Refurbishment Reserve	100,000	50,000	150,000
	762,841	118,507	881,348
General fund	1,730,110	(132,764)	1,597,346
	2,492,951	(14,257)	2,478,694

The Refurbishment Reserve comprises amounts appropriated from the General Fund towards the cost of refurbishing the Brothers' flats.

The Hospital of St Cross and Almshouse of Noble Poverty

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

25. Analysis of net assets between funds

	Permanent funds 2023 £	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Tangible fixed assets	-	-	355,152	355,152	391,233
Fixed asset investment properties	6,899,000	-	-	6,899,000	6,186,000
Fixed asset investments	12,895,504	320,992	2,068,101	15,284,597	14,258,576
Current assets	-	25,001	149,957	174,958	271,665
Creditors due within one year	-	-	(94,516)	(94,516)	(68,122)
	19,794,504	345,993	2,478,694	22,619,191	21,039,352

Analysis of net assets between funds (prior year comparative)

	Permanent funds 2022 £	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Tangible fixed assets	-	-	391,233	391,233	427,314
Fixed asset investment properties	6,186,000	-	-	6,186,000	6,116,000
Fixed asset investments	11,856,892	482,985	1,918,699	14,258,576	16,180,606
Current assets	-	20,524	251,141	271,665	286,466
Creditors due within one year	-	-	(68,122)	(68,122)	(127,128)
	18,042,892	503,509	2,492,951	21,039,352	22,883,258

26. Analysis of changes in net cash

	At 1 Jan 2023 £	Cash flow £	At 31 Dec 2023 £
Cash at bank and in hand	215,191	(101,220)	113,971
Cash held with investment manager	30,214	4,087	34,301
Net Cash	245,405	(97,133)	148,272

The Hospital of St Cross and Almshouse of Noble Poverty

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

27. Financial instruments

	2023 £	2022 £
Basic financial assets	15,454,849	14,525,690
Basic financial liabilities	(88,073)	(59,412)

Basic financial assets are all investments (excluding investment properties), debtors plus cash in hand minus prepayments.

Basic financial liabilities are all creditors due in less than one year plus creditors due in more than one year minus taxation payable.

The entity's income, expense, gains and losses in respect of financial instruments are summarised below:-

	2023 £	2022 £
Total dividend and interest income for basic financial assets	438,078	437,431
Total gains/(losses) in respect of basic financial assets	1,224,398	(1,923,655)

28. Financial Commitments

Non-cancellable operating lease rentals receivable

	2023 £	2022 £
Less than one year	64,901	62,380
After one year and less than five years	34,900	38,480
After five years	39,840	5,585
	139,641	106,445

The lease rentals receivable relates to rent income receivable from the Hospital's investment properties. The amounts receivable are limited to the next rent review date for agricultural properties or the earlier of the lease end date or break clause for other properties.

29. Commitments and contingencies

During the year, the charity entered into a contract for the refurbishment of 4 of the Brothers' flats. The work was ongoing at the year end with a capital commitment of £151,000. There were no material commitments at 31 December 2022.

There were no contingent liabilities at 31 December 2023 or 31 December 2022.

The Hospital of St Cross and Almshouse of Noble Poverty

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

30. Related party transactions and Trustees' expenses and remuneration

No Trustee received any remuneration or reimbursement of expenses from the Hospital during the year.

Mrs Felicity Pennycook and Mr Jonathan Cooke are also Trustees of the Friends of St Cross Hospital Winchester. The Friends made a grant of £17,000 (2022: £15,000) to the Hospital during the year.

Key management personnel received total remuneration of £nil during the year (2022: £nil).

During the year, total donations by the trustees to the charity amounted to £5,296 (2022: £nil).

The Hospital of St Cross and Almshouse of Noble Poverty

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

31. Additional prior year comparatives – statement of financial activities

	Note	Permanent funds 2022 £	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:						
Donations, grants and legacies	2	-	1,361	51,126	52,487	92,197
Fundraising activities	3	-	2,882	567,142	570,024	560,995
Investment income	4	-	2,882	567,142	570,024	560,995
Charitable activities	5	-	-	279,077	279,077	251,408
Total income		-	4,243	925,634	929,877	929,434
Expenditure on:						
<i>Raising funds:</i>						
Costs of generating voluntary income	6	-	-	15,371	15,371	8,889
Investment management costs	7	-	-	129,020	129,020	50,352
Charitable activities	8	-	10,887	764,850	775,737	697,737
Total expenditure		-	10,887	909,241	920,128	756,978
Net incoming (outgoing) resources before investment gains		-	(6,644)	16,393	9,749	172,456
Net gains (losses) on investments	14	(1,546,793)	(49,614)	(257,248)	(1,853,655)	2,155,214
Net income before transfers		(1,546,793)	(56,258)	(240,855)	(1,843,906)	2,327,670
Transfers between funds	15	-	1,625	(1,625)	-	-
Net movement in funds		(1,546,793)	(54,633)	(242,480)	(1,843,906)	2,327,670
Reconciliation of funds:						
Total funds at 1 January 2022		19,589,685	558,142	2,735,431	22,883,258	20,555,588
Total funds at 31 December 2022		18,042,892	503,509	2,492,951	21,039,352	22,883,258

HOSPITAL OF ST CROSS AND ALMSHOUSE OF NOBLE POVERTY

England & Wales - Charity number 202751

Accounts

Charity number: 202751

The Hospital of St Cross and Almshouse of Noble Poverty

Trustees' report and

Financial statements

For the year ended 31 December 2022

The Hospital of St Cross and Almshouse of Noble Poverty

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The Hospital of St Cross and Almshouse of Noble Poverty

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS

FOR THE YEAR ENDED 31 DECEMBER 2022

Charity registered number

202751

Registered office

Hospital of St Cross, St Cross Road, Winchester, SO23 9SD

Co-optative Trustees

Mr Jonathan Cooke (Chairman)

Mr William Corbett

Mr Christopher Anderson (retired March 2023)

Mrs Rosemary Andrae (retired March 2022)

Mrs Gill Beck (PCC)

Mr Christopher Higgins

Mr Michael Killingley FCA

Mrs Imogen Lyndon Skeggs (appointed March 2022)

Mrs Felicity Pennycook ACA (Honorary Treasurer)

Mrs Katherine Wake

Dr Tim Foster

Mr Jonathan Portal (appointed March 2023)

Nominative Trustees

Cllr Fiona Mather (Winchester City Council)

Mr Adam Rattray (Winchester College – appointed June 2021)

Ex-officio Trustees

The Master of St Cross: The Reverend Terry Hemming (retired December 2022), The Reverend Dominik Chmielewski (appointed December 2022)

The Dean of Winchester: The Very Reverend Catherine Ogle

The Right Worshipful Mayor of Winchester: Cllr Vivian Achwal (2021/2022), Cllr Derek Green (2022/2023), Cllr Angela Clear (2023)

Clerk to the Trustees

Mrs Catriona Morley

Bankers

National Westminster Bank plc, 105 High Street, Winchester, SO23 9AW

Solicitors

Godwins, 12 St Thomas Street, Winchester, SO23 9HF

Investment Managers

CCLA Investment Management Ltd, Senator House, 85 Queen Victoria Street, London, EC4V 4ET

Property advisors

Carter Jonas, 9a Jewry Street, Winchester, SO23 8RZ

Auditor

Crowe U.K. LLP, Aquis House, 49-51 Blagrove Street, Reading, RG1 1PL

The Hospital of St Cross and Almshouse of Noble Poverty

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

Principal activities and aims

The Hospital's principal activity continues to be the provision of a living community which offers a home and haven to elderly gentlemen on the premises of "England's oldest and most perfect Almshouse" and to provide a welcome to all who wish to visit the Hospital and enjoy its surroundings.

The Hospital was originally founded around 1132 by Henri de Blois, Bishop of Winchester. Its aims are to maintain the property, care for the Brothers, welcome visitors and continue the worship at the Church of St Cross for the Brothers and, for the past 500 years, the parishioners of St Faith.

Review of achievements and performance for the year

Heritage Profile

After two years of significant disruption due to the Covid pandemic and restrictions, visitor numbers recovered significantly, albeit not yet to the levels of 2019. To broaden its heritage profile the Hospital became a member of Historic Houses which will provide new marketing outlets and opportunities.

The Hospital receives a number of enquiries each year relating to its history. These include questions from families whose relatives might have been residents in the past and academics researching specific areas such as stained-glass windows or medieval floor tiles. The Hospital draws on a number of resources to help respond to such enquiries including dedicated professionals (such as archaeologists and architects), the Hampshire Records Office and the Hospital's own in-house staff.

The project to commemorate the Hospital's 900 year anniversary (in 2032) is progressing; a list of ideas was drawn up which, once finalised, will be put through a voting process. In September the Hospital took part in the National Heritage Open Days scheme, which offers free entry for one day in order to celebrate and promote the UK's history and culture.

The Hospital of St Cross continued to be a site of interest to film makers. Location scouts are always impressed by the well conserved buildings which provide a fantastic unspoilt historic setting.

The Hospital's success in supporting the conservation of swifts was highlighted on the BBC's daily programme, *The One Show*. A feature, presented by the naturalist, Chris Packham, was filmed at St Cross in August which highlighted the work of the Hampshire Swifts group, who have installed 35 nest boxes at the Hospital. The number of breeding birds rearing young at the Hospital increased again in 2022 compared to the previous years; making St Cross a desirable location for film makers and Swifts alike!

Review of charitable activities

Buildings conservation

The church roof is nearing the end of its useful life. Extensive, and costly, repairs were originally budgeted to take place in 2021 but, with advice from the Hospital's architects, temporary repairs were carried out on the church south transept, sacristy and south chancel roofs, which should enable their replacement to be delayed until later in the 2020s.

Despite this, there has been a heavy programme of repairs during 2022, at a cost of some £250,000. This has included £98,000 of necessary repairs on our let properties on St. Cross Road; £34,000 on replacing the paving beneath the Beaufort Tower (half the cost of which was covered by a generous donation by the Friends of St. Cross Hospital in 2021); £11,000 on the refurbishment of the Brothers' kitchens; and £26,000 of professional fees in respect of the planned refurbishment of the Brothers' flats, referred to later in this report.

The Hospital of St Cross and Almshouse of Noble Poverty

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

Welfare and visitors

5 new Brothers took up residence at St. Cross during 2022, while one left to take up residence in a nursing home; sadly one Brother died in January 2022 and another in January 2023.

The Hospital had about 5,000 paying visitors in 2022, well ahead of the 3,500 and 600 in the two previous, pandemic affected years; it is however still well below the 8,000 visitors in 2019. There were 16 weddings at St. Cross during the year, and a successful Michaelmas Fair in September.

Friends of St Cross Hospital

The Friends of St. Cross has about 800 individual members, a significant increase over the 720 at the end of 2021. They provide a wide range of educational and fund-raising activities both within and outside the premises of the Hospital.

During 2022 the Friends generously donated £15,000 to the Hospital as a contribution to the project to provide disabled access to the Brethren's Hall, work on which is expected to be undertaken during 2023.

Financial review

Financial activities

The Hospital barely broke even in 2022, with a surplus of £10,000 before investment losses (2021 surplus: £172,000).

This result was broadly in line with budget, albeit below the level required to enable the Hospital to sustain the programme of necessary repairs required to its heritage buildings in the medium to long term. A combination of general inflation and costly repairs have been the main contributors to this result, and 2023 is expected to show a further deterioration in financial performance as a result of higher utility costs.

As a result of these cost pressures, resources expended during the year increased by 22% to £920,000 (2021: £757,000); about half the increase was due to the repairs to let properties referred to above.

Balance Sheet

Net assets declined by 8% to £21.0 million (2021: £22.9 million), primarily as a result of a weaker performance by the Hospital's investment portfolio, managed by CCLA. The value of the portfolio fell by 12% to £14.3 million, as a result of underperformance in our equity, property and bond portfolios.

The high level of inflation and the risk of economic recession make the investment outlook for 2023 somewhat uncertain, aggravated by the continuing war in Ukraine.

The trustees monitor CCLA's performance regularly; over the past 3 and 5 years our CCLA portfolios have outperformed their benchmarks.

Cash at bank and in hand at 31 December 2022 was £245,000 (2021: £262,000).

The Hospital of St Cross and Almshouse of Noble Poverty

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

Resources and Reserves policy

Of the total funds at 31 December 2022 of £21.0 million, £18.0 million was permanent endowment and £504,000 restricted funds.

Unrestricted funds were £2.5 million of which £763,000 were designated funds. The balance relates to the General Fund which includes £391,000 of tangible fixed assets (mostly new visitor toilets and boilers over the last five years).

The Trustees' policy is to plan expenditure within available resources whilst retaining reserves to provide a degree of flexibility to meet the cost of major repairs. These can be significant when maintaining ancient Grade 1 listed buildings.

Investment policy

The foundation buildings and the investment properties are managed to best effect with the aid of quinquennial inspections and reports.

Monetary investments are currently held in common investment funds, where the fund managers practise socially responsible investment. The policy applicable to equity-based investments is to produce the best income compatible with longer-term capital growth and security. The policy applicable to fixed interest and variable interest-bearing investments is to aim for maximum income subject to protection of capital (such investments are made into highly rated bonds or deposits).

Outlook and future plans

The Hospital will continue the aims as stated above, namely the maintenance and refurbishment of the fabric of the church and hospital buildings, and the welfare of the Brothers.

Financial outlook

The Hospital is budgeting to incur a deficit in 2023. Utility costs are expected to be twice as high as in 2022 as a result of the high wholesale gas prices at the time contracts were renewed in the second half of last year; general inflation has continued to put pressure on the Hospital's other costs. In addition a substantial programme of necessary repairs has been scheduled.

Refurbishment of Brothers' flats

Planning consent for this major project was received during 2022, and work on the refurbishment of the first of 5 staircases commenced in April 2023 and should be completed during the autumn.

The whole refurbishment project will extend over several years, firstly because of the logistical constraints of housing all the Brothers while the work takes place, and secondly because it is beyond the ability of the Hospital to fund the work solely from its own reserves. The latest estimate of the cost of the project is about £3.5 million.

During 2022 the Charity Commission approved the Trustees' request that up to £1 million of the Hospital's permanent endowment can be used towards funding some of the refurbishment work. Furthermore, the Trustees have decided that, in years when a surplus has been achieved, part of that surplus should be transferred to a newly established 'Refurbishment Reserve' within unrestricted funds to contribute further to the cost of the project. The near break-even financial result for 2022 means that it has not been possible to augment the £100,000 which was appropriated in 2021 to this reserve.

The Hospital of St Cross and Almshouse of Noble Poverty

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

The Hospital can afford to fund only part of the full cost of refurbishment from its own resources; the Trustees are therefore considering how best to raise the additional funds which will be required.

Landscape and Conservation

The Landscape and Conservation Masterplan for the garden, park and water meadows at St. Cross is still in the early stages of development; during 2022 discussions were held with an experienced planning consultant who focuses particularly on heritage and conservation, to enable the Trustees to gain an insight into the demands of the planning process. It is hoped that progress can be made in 2023 to get the plan to a stage where it can be approved by the Trustees. The removal of the ash and other diseased trees along the stream edge is now scheduled to take place in Autumn 2023 and it is hoped that there will be funding available to help with the costs of this as it will greatly enhance the conditions of the stream for the very rare Southern Damselfly.

Public benefit and the relief of poverty

The two foundations of the Hospital of St Cross (established 1132) and the Almshouse of Noble Poverty (established 1455) were founded to provide relief for the poor and needy, through the provision of accommodation and sustenance. The Trustees of the (now combined) foundations are also fully committed to the maintenance in their original style of the Hospital's unique set of grade-one-listed medieval buildings and have in place a continuing programme of repair and improvement.

The Hospital is at the heart of the local community. As an historic almshouse, it provides accommodation for twenty-five elderly men. The visiting public are welcome for 363 days in the year to visit the ancient buildings, walk in the gardens, request the Wayfarer's Dole and take refreshment provided by the Hospital volunteers in the medieval Hundred Men's Hall.

Many of the areas of public benefit set out in the following paragraphs were curtailed or cancelled in 2020 and the first part of 2021 because of the COVID-19 restrictions; it has been pleasing to see most resumed during 2022.

The Hospital enjoys an excellent association with the Parish of St Faith, who have worshipped at St Cross since 1507 when their own church fell into disrepair. The Parish regard St Cross Church as their principal place of worship with a typical Sunday attendance of well over 100 worshippers. The Hospital's new Master, the Reverend Dominik Chmielewski, is also rector of the Parish. The Parish do much to assist in the upkeep of the church. In addition the Parish hold the annual local fete, which is enjoyed by up to 2000 people and was resumed in 2022, in the grounds of the Hospital.

The church and other buildings within the Hospital are in regular use by the Friends and other local groups for worship, concerts, educational purposes and events. There is a very strong musical tradition which continues to flourish with a very fine church organ and an active church choir. The church is in high demand for concerts and musical performances. During October 2022 the Brothers organised a series of successful lunchtime concerts ('Perfect Pitch') in the church; the programme resumed in April 2023, with a concert planned each week until October.

The Brothers' Library is equipped to provide a flexible education room. School parties can visit to learn about the Hospital using a carefully-designed activity programme which is based on the current Key Stage 2 school curriculum. These school visits can be managed in conjunction with Hampshire and Isle of Wight Wildlife Trust (HIWWT). HIWWT conduct educational wildlife tours of the Water Meadows which are followed by a visit to the Hospital. Local schools and a higher education college use the church and medieval halls for services and degree ceremonies.

The Hospital of St Cross and Almshouse of Noble Poverty

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

Outside the main site, the Hospital provides several other significant facilities which help to nurture a strong sense of local community. These include the provision of the Parish Hall and 80 traditional allotments in a beautiful setting by the river. The Parish Hall is in constant community use for the local pre-school nursery, Girl Guides, Brownies and other local activities such as yoga and dance classes.

The meadows which surround the Hospital provide a peaceful setting in which the public are able to walk and relax free of charge. Since the pandemic there has been a substantial increase in the number of dog walkers using the land and St. Cross hosted a public presentation in conjunction with HIWWT in October 2022 to inform the public of the importance of keeping dogs on leads around livestock.

The presentation coincided with the end of HIWWT's ten year farm tenancy on the land at St. Cross, and enabled them to share their successes in improving the habitat and greatly increasing biodiversity in the park and meadows over the past decade. The new tenancy has been taken over by a neighbouring landowner who will continue to manage the land with careful grazing and to promote wildlife. We hope to be able to resurface a section of the footpath which becomes very muddy in the winter months and funding for this is currently being investigated.

Adjacent to the meadow, the Hospital lets its land to the local St. Cross Symondians Cricket Club where regular matches are held for both adult and youth cricket.

To keep itself current the Hospital is also now engaging more fully with social media outlets to provide interesting content and updates and it continues to improve its website. Following the public presentation in October 2022 a page was added to the website to provide a link to the details discussed at the event and give general information about the water meadows and the importance of dog management around livestock.

The Hospital records since its original foundation are documents of considerable historical interest and importance. To reduce the risk of their loss or destruction, the records are held and preserved by the Hampshire Record Office and are available for public view within certain limitations to protect individual privacy. Plans are in place to continue adding to the archives.

Structure, governance and management

Governing document

The Hospital of St Cross (the Hospital) is a registered charity whose objects are set out in the Charity Commission Scheme dated 5 November 1984 ('the Scheme'), as varied by the Scheme of 14 March 1990, an Order of 1 November 2006, a Memorandum of 5 September 2006 and Resolutions of 23 June 2009, 20 March 2012 and 23 March 2022. The 2022 Resolution amended the Scheme to reflect the Charity Commission's consent to permit the Hospital to expend part of its permanent endowment.

There are two foundations, the Hospital of St Cross and the Almshouse of Noble Poverty. The Hospital's property and assets are owned by the two foundations as the Corporation of the Master and Brethren [Brothers] of the House or Hospital of St Cross and the Trustees administer it on behalf of the Corporation.

The Trustees' responsibilities for application of income are set out in the Scheme. The first such responsibility is to defray out of the income of the Hospital the cost of maintaining the property and all other costs payable in respect of the property and all the proper costs of administration and management of the Hospital. Subject to the payments aforesaid, the Trustees shall apply the income of the Hospital for the benefit of the Brothers in such manner as the Trustees think fit.

The Hospital of St Cross and Almshouse of Noble Poverty

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

Trustees

The names of the Trustees who served during the year and to the date of this report are shown on page 1. Co-optative Trustees are appointed by the Trustees and serve for five years. One nominative Trustee is appointed by Winchester City Council and serves for four years. The other nominative Trustee is appointed by the Warden of Winchester College. The Trustees meet quarterly and have appointed committees covering finance, property, risk management, visitors and welfare. Each Trustee usually sits on two committees.

In December 2022 the Reverend Terry Hemming retired as Master and was replaced by the Reverend Dominik Chmielewski, who is also the rector of the Parish of St. Faith's. The trustees are grateful for the outstanding role fulfilled by Terry Hemming during nearly 3 years in the role, particularly in steering the Hospital through the difficult period of the Covid pandemic.

Trustee recruitment

Co-optative Trustees are recruited after a thorough selection and interview process which ensures that a balance of relevant skills is maintained across the Board.

Trustee training

Each Trustee, upon appointment, receives a Trustee's welcome and induction pack, indicating the range of their responsibilities; in addition some of the Trustees attend annual seminars on accounting for charities and recent charity legislation and practice. All Trustees also receive copies of the magazine, Governance, which provides essential information for effective Trustees.

Organisational management

Under the Scheme, responsibility for the management and control of the Hospital and the Brethren rests with the Trustees. The day-to-day running of the Hospital, the maintenance of the premises and management of the employees is delegated to the Clerk to the Trustees, under the general supervision of the Trustees. The Master of St Cross (himself a Trustee) is charged with the pastoral welfare of the Brethren.

Brothers' accommodation is kept to a high standard and advertised regularly to ensure that any vacancies are filled by suitable applicants.

Risk management

The Trustees have examined the principal areas of the Hospital's operations and considered the major risks faced in each of these areas.

The Risk Management Committee biannually establishes, assesses and categorises all risks. In the opinion of the Trustees, the Hospital has established resources and review systems which allow these risks to be mitigated to an acceptable level in day-to-day operations.

During the COVID pandemic, a standing committee of Trustees had been established and met regularly online to review the latest guidance and information to enable it to take whatever action is necessary to keep the Brothers and staff safe. This committee was disbanded in March 2022 as, following the lifting of COVID restrictions, it was no longer required.

The Hospital of St Cross and Almshouse of Noble Poverty

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

Maintenance of income streams is vital in order to continue to meet the Hospital's objects. Reserves are invested in a mix of stock market investment funds and investment properties to spread risk whilst producing a regular income stream. Trustees work with the Investment Managers and Property Advisers to ensure that an appropriate asset allocation is maintained.

The repair and safeguarding of Grade 1 listed medieval buildings is costly and good maintenance is an important part of this. All Heritage buildings are subject to quinquennial inspection and there is a continual programme of repair and improvement. Regular insurance reviews are carried out.

Annual fire risk assessments are carried out and the Hospital works closely with the local Fire Service to ensure quick and effective access in the event of an emergency. The Hospital also complies with the latest Health and Safety Management System backed by regular internal and external audits.

The easing of COVID restrictions has facilitated a return to work on the list of building improvements which will further improve the accessibility and safe enjoyment of the Hospital site.

Trustees' responsibilities for the financial statements

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

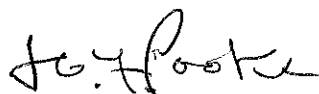
The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity, and of the incoming resources and application of resource of the charity for that period. In preparing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

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities Statement of Recommended Practice;
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether applicable UK 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 operation.

The Trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and 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 Scheme. 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.

The report was approved by the Trustees at their meeting on 20 June 2023 and signed on their behalf by:



Jonathan Cooke – Chairman

The Hospital of St Cross and Almshouse of Noble Poverty

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE HOSPITAL OF ST CROSS
AND ALMSHOUSE OF NOBLE POVERTY

FOR THE YEAR ENDED 31 DECEMBER 2022

Opinion

We have audited the financial statements of The Hospital of St Cross and Almshouse Poverty ('the charity') for the year ended 31 December 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cashflow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2022 and of its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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 Auditor's 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 trustee's 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 contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report 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.

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.

The Hospital of St Cross and Almshouse of Noble Poverty

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE HOSPITAL OF ST CROSS
AND ALMSHOUSE OF NOBLE POVERTY

FOR THE YEAR ENDED 31 DECEMBER 2022

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient and proper accounting records have not been kept by the charity; 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.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 8, the trustees 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 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.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section of the Charities Act 2011, and report in accordance with the Acts 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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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 auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charity operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

The Hospital of St Cross and Almshouse of Noble Poverty

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE HOSPITAL OF ST CROSS AND ALMSHOUSE OF NOBLE POVERTY

FOR THE YEAR ENDED 31 DECEMBER 2022

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity for fraud. The laws and regulations we considered in this context for the UK operations were Charities Act 2011, The Charities (Accounts and Reports) Regulations 2008, The Charities SORP (FRS102) and Financial Reporting Standard 102.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of specific income streams and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Finance & Risk Committee about their own identification and assessment of the risks of irregularities, sample testing relevant income with agreement to supporting documentation, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Crowe UK LLP

Crowe U.K. LLP
Statutory Auditor

Thames Valley

11 July 2023

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

The Hospital of St Cross and Almshouse of Noble Poverty

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	Permanent funds 2022 £	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:						
Donations, grants and legacies	2	-	1,361	51,126	52,487	92,197
Fundraising activities	3	-	-	28,289	28,289	24,834
Investment income	4	-	2,882	567,142	570,024	560,995
Charitable activities	5	-	-	279,077	279,077	251,408
Total income		-	4,243	925,634	929,877	929,434
Expenditure on:						
<i>Raising funds:</i>						
Costs of generating voluntary income	6	-	-	15,371	15,371	8,889
Investment management costs	7	-	-	129,020	129,020	50,352
Charitable activities	8	-	10,887	764,850	775,737	697,737
Total expenditure		-	10,887	909,241	920,128	756,978
Net incoming (outgoing) resources before investment gains		-	(6,644)	16,393	9,749	172,456
Net gains (losses) on investments	14	(1,546,793)	(49,614)	(257,248)	(1,853,655)	2,155,214
Net income before transfers		(1,546,793)	(56,258)	(240,855)	(1,843,906)	2,327,670
Transfers between funds	15	-	1,625	(1,625)	-	-
Net movement in funds		(1,546,793)	(54,633)	(242,480)	(1,843,906)	2,327,670
Reconciliation of funds:						
Total funds at 1 January 2022		19,589,685	558,142	2,735,431	22,883,258	20,555,588
Total funds at 31 December 2022		18,042,892	503,509	2,492,951	21,039,352	22,883,258

The Hospital of St Cross and Almshouse of Noble Poverty

BALANCE SHEET

FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	£	2022 £	£	2021 £
Fixed assets					
Tangible assets	16		391,233		427,314
Investment Properties	17		6,186,000		6,116,000
Investments	18		14,258,576		16,180,606
			20,835,809		22,723,920
Current assets					
Stocks	19	8,825		11,145	
Debtors	20	17,435		13,757	
Cash at bank and in hand	26	245,405		261,564	
		271,665		286,466	
Creditors: amounts falling due within one year	21	(68,122)		(127,128)	
Net current (liabilities)/assets			203,543		159,338
Net assets			21,039,352		22,883,258
Charity funds					
Permanent funds	22		18,042,892		19,589,685
Restricted funds	23		503,509		558,142
Unrestricted funds	24		2,492,951		2,735,431
Total funds			21,039,352		22,883,258

The financial statements were approved by the Trustees at their meeting on 20 June 2023 and signed on their behalf, by:


Jonathan Cooke – Chairman


Felicity Pennycook – Honorary Treasurer

The notes on pages 15 to 34 form part of these financial statements.

The Hospital of St Cross and Almshouse of Noble Poverty

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net income (outgoings) for the year (from Statement of Financial Activities)		9,749	172,456
Adjustment for:			
Dividends, interest and rents from investments		(570,024)	(560,995)
Decrease/(Increase) in stock		2,320	(11,145)
Decrease/(Increase) in debtors		(3,678)	(4,253)
(Decrease)/Increase in creditors		(59,006)	4,029
Depreciation of tangible fixed assets		36,081	35,306
Net cash provided by operating activities		(584,558)	(364,602)
Cash flows from investing activities			
Purchase of fixed asset investments		(1,625)	(11,933)
Transfers to cash from investments		-	837
Purchase of tangible fixed assets		-	(11,615)
Disposal of tangible fixed assets		-	-
Dividends, interest and rents receivable		570,024	560,995
Net cash used in investing activities		568,399	538,284
Change in cash and cash equivalents in the year	26	(16,159)	173,682
Cash and cash equivalents brought forward		261,564	87,882
Cash and cash equivalents carried forward		245,405	261,564

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

1. Accounting Policies and Key Judgements

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with 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 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The Hospital of St Cross and Almshouse of Noble Poverty meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 Going concern

The Trustees consider that there are no material uncertainties about the Hospital's ability to continue as a going concern. The most significant areas of uncertainty that affect the carrying value of assets held by the Hospital are the level of investment return and the performance of investment markets.

1.3 Tangible assets

Heritage assets

The freehold properties described in Note 17 on page 27 are not included in the balance sheet at a monetary value as neither their costs, which have been fully written off, nor their market values are available. Significant improvements to the fitting out of heritage assets are capitalised where appropriate as fixtures and fittings.

Fixtures, fittings and plant

Individual assets costing more than £5,000 are capitalised and included at cost, including any incidental costs of acquisition.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Fixtures & Fittings	- 15 years straight line
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The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

1. Accounting Policies and Key Judgements

Investment properties

Investment properties are included in the balance sheet at their open market values by a professional revaluation every five years and by the Trustees in the intervening years. The surplus or deficit on revaluation of individual properties is transferred to the permanent endowment fund via the Statement of Financial Activities. Depreciation is not provided in respect of freehold investment properties, in accordance with Section 16: Investment Property of FRS 102.

1.4 Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on the revaluation and disposals throughout the year.

The Hospital does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the Hospital is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

1.5 Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

1.6 Stocks

The cost of publications and souvenirs for public sale are valued at the lower of the cost and net realisable value after making due allowance for slow-moving items.

1.7 Contingent liabilities

A contingent liability is identified and disclosed resulting from a possible obligation which will only be confirmed by the occurrence of one or more uncertain future events not wholly within the Trustees' control, a present obligation where settlement is either not considered probable, or the amount has not been communicated and that amount cannot be estimated reliably.

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

1. Accounting Policies and Key Judgements

1.8 Incoming resources

All incoming resources are recognised once the Hospital has entitlement to the resources, it is probable that the resources will be received and the monetary value of incoming resources can be measured with sufficient reliability.

“Incoming resources from generated funds” include donations, legacies, grants, investment income and sales to visitors and other external users of the Hospital’s facilities.

“Incoming resources from charitable activities” derive from the Hospital’s pursuit of its charitable objects.

Donations (including Gift Aid recoveries) are recognised when the Hospital has been notified in writing of both the amount and settlement date, or when they are received. In the event that a donation is subject to conditions that require a level of performance before the Hospital is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Hospital and it is probable that those conditions will be fulfilled in the reporting period.

Legacies are accounted for on a receivable basis. Pecuniary legacies are recognised following formal notification from the estate. Residuary legacies are recognised only when the Hospital’s interest can be measured, which is normally on grant of probate.

Grants receivable in respect of expenditure incurred during the year are brought into account provided they have been approved for payment at the year end.

Dividends and interest, bank deposit account interest, and rents receivable are brought into account on a receivable basis.

Income from public visiting and similar activities is recognised when received.

1.9 Resources expended

Liabilities are recognised as soon as there is a legal or constructive obligation committing the Hospital to the expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. The Hospital is not registered for VAT and accordingly expenditure is shown inclusive of VAT.

“Costs of generating funds” comprise costs of attracting voluntary income, costs of goods sold for fund raising purposes, and costs of managing the investment properties.

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

1. Accounting Policies and Key Judgements

“Charitable activities” comprise costs to maintain the charitable property and to provide accommodation and welfare for the Brothers.

Support costs, comprising salaries and office costs, have been allocated to the activity cost categories based on an estimate of the time spent.

1.10 Pension schemes

For eligible salaried employees the Hospital participates in the Church of England Pension Builder scheme within the Church Workers Pension Fund (CWPF).

Eligible employees who joined the Hospital up to May 2021 were entitled to become members of the Pension Builder Classic section of the scheme; this is a deferred annuity scheme, which is a defined benefit scheme.

Since June 2021 new employees have been entitled to become members of the scheme’s Pension Builder 14 section; this is a cash balance scheme and is also classed as a defined benefit scheme; it is similar to a defined contribution scheme but with a guarantee that the retirement cash sum will not usually decrease.

The pension costs charged against the surplus or deficit for the year represent the contributions payable to the scheme in respect of the accounting period. If there were to be a large funding deficit over a prolonged period, additional contributions might become payable, although to date the CWPF has never sought any such contributions.

1.11 Funds

The Hospital’s permanent endowment funds are set out in note 22 to the financial statements. They comprise the permanent endowment funds of the two constituent charities, the Hospital of St Cross Foundation and the Almshouse of Noble Poverty Foundation. The income from the investment assets of the funds is unrestricted.

Prior to 2022 the Hospital had three funds set up under Recoupment Orders issued by the Charity Commission to restore permanent endowment capital expended on major projects. During 2022 the Trustees, with the permission of the Charity Commission, approved an Order allowing the balance on the recoupment funds to be administered as part of the Hospital’s permanent endowment; they therefore no longer require to be accounted for separately.

Restricted funds are funds subject to specific conditions within the objects of the Hospital and are set out in note 23 to the financial statements.

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. Accounting Policies and Key Judgements

Unrestricted funds are funds where no restrictions are placed on the use by the Hospital upon either the capital or the income and comprise:

- (i) The Commander J S Baker Bequest – a designated fund
- (ii) The Miss G M Bauer Bequest – designated by the Trustees for use on arboricultural and horticultural projects
- (iii) Refurbishment Reserve - designated by the Trustees for contributing to the cost of the refurbishment project of the Brothers' flats.
- (iv) General fund – to provide the Hospital's working capital.

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

1.12 Key Judgements

Certain reported amounts of assets and liabilities are subject to estimates and assumptions. Estimates and judgements by management are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Judgements that have the most significant effect on the amounts recognised in the financial statements and estimates that can cause a significant adjustment to the carrying amount of assets and liabilities within the next financial year include:

Investment property

The investment property valuation is reviewed annually by the Trustees. The properties are stated at fair value with changes in the fair value being recognised in the Statement of Financial Activities.

2. Income from donations, grants and legacies

	Permanent funds 2022 £	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Donations	-	1,361	18,376	19,737	8,007
Grants	-	-	32,750	32,750	84,190
Legacies	-	-	-	-	-
	-	1,361	51,126	52,487	92,197

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

3. Income from fundraising activities

	Permanent funds 2022 £	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Events	-	-	4,631	4,631	3,069
Shop sales	-	-	13,240	13,240	13,187
Tearoom sales	-	-	10,418	10,418	8,578
	-	-	28,289	28,289	24,834

4. Investment income

	Permanent funds 2022 £	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Rent receivable	-	-	132,593	132,593	135,513
Investment income	-	2,882	434,549	437,431	425,482
	-	2,882	567,142	570,024	560,995

5. Income from charitable activities

	Permanent funds 2022 £	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Recoveries from Brothers	-	-	170,510	170,510	155,164
Primary purpose trade	-	-	69,672	69,672	50,856
Ancillary trade	-	-	38,895	38,895	45,388
	-	-	279,077	279,077	251,408

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

6. Costs of generating voluntary income

	Permanent funds 2022 £	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Expenses of public visiting	-	-	3,825	3,825	3,664
Costs of goods sold	-	-	11,546	11,546	5,225
	-	-	15,371	15,371	8,889

7. Investment management costs

	Permanent funds 2022 £	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Investment property repairs	-	-	97,800	97,800	17,545
Investment property management fees	-	-	21,177	21,177	23,308
Support costs (note 11)	-	-	10,043	10,043	9,499
	-	-	129,020	129,020	50,352

8. Analysis of expenditure on charitable activities

	Permanent funds 2022 £	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Upkeep of historic buildings	-	7,143	336,988	344,131	307,663
Brothers' welfare	-	3,744	224,304	228,048	204,033
Public visiting and advertising expenses	-	-	61,319	61,319	55,626
Volunteer expenses	-	-	-	-	-
Costs of goods sold	-	-	13,530	13,530	9,104
Professional fees	-	-	600	600	-
Bad Debts	-	-	9,750	9,750	15,600
Depreciation	-	-	36,081	36,081	35,306
Governance costs (note 10)	-	-	82,278	82,278	70,405
	-	10,887	764,850	775,737	697,737

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

9. Analysis of expenditure on charitable activities by activities

	Direct costs 2022 £	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
Upkeep of historic buildings	322,730	21,401	344,131	307,663
Brothers' welfare	192,298	35,750	228,048	204,033
Public visiting and advertising expenses	27,703	33,616	61,319	55,626
Volunteer expenses	-	-	-	-
Costs of goods sold	13,530	-	13,530	9,104
Professional fees	600	-	600	-
Bad Debts	9,750	-	9,750	15,600
Depreciation	36,081	-	36,081	35,306
Governance costs (note 10)	19,899	62,379	82,278	70,405
	622,591	153,146	775,737	697,737

10. Governance costs

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Audit fees	-	12,852	12,852	11,740
Other professional fees	-	7,047	7,047	3,618
Support costs (note 11)	-	62,379	62,379	55,047
	-	82,278	82,278	70,405

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

11. Allocation of support costs and overheads

	Investment property management (Note 7) £	Charitable activities (Note 9) £	Governance (Note 10) £	Total £
2022				
Clerical Salaries	10,043	76,024	52,550	138,617
Office costs	-	14,744	9,829	24,573
	10,043	90,768	62,379	163,190
2021				
Clerical Salaries	9,499	69,559	49,075	128,133
Office costs	-	8,961	5,972	14,933
	9,499	78,520	55,047	143,066

12. Staff costs

Staff costs were as follows:

	2022 £	2021 £
Wages and salaries	304,822	284,559
Social security costs	25,319	22,043
Pension costs	16,277	24,643
	346,418	331,245

The average number of employees during the year was 19 (2021: 19). The full time equivalent of these was 11 (2021: 11).

No employee received emoluments of more than £60,000 (2021: nil).

Pension costs in the year were £16,277 (2021: £24,643). The costs in 2021 were augmented by a one-off payment of £10,647 to correct a shortfall in employer's contributions in previous years.

Redundancy and termination payments are accounted for in the period in which an obligation occurs. During the current financial year, redundancy and termination payments amounted to £4,667 (2021: nil). These costs were charged to unrestricted funds.

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

13. Pension costs

The Hospital participates in the Pension Builder Scheme section of the Church Workers Pension Fund (CWPF) for lay staff. The Scheme is administered by the Church of England Pensions Board (the Board), which holds the assets of the schemes separately from those of the Employer and the other participating employers.

Pension Builder Classic (PB Classic) provides a pension for members for payment from retirement, accumulated from contributions paid and converted into a deferred annuity during employment based on terms set and reviewed by the Board from time to time. Discretionary increases may also be added, depending on investment returns and other factors.

Pension Builder 2014 (PB14) is a cash balance scheme that provides a lump sum which members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. Discretionary bonuses may be added before retirement, depending on investment returns and other factors. The account, plus any bonuses declared, is payable, unreduced, from age 65.

There is no sub-division of assets between employers in either section of the Pension Builder Scheme.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the Statement of Financial Activities in the year are the contributions payable (2022: £16,277, 2021: £24,643). Contributions outstanding at the year-end were £166 (2021: £10,797).

A valuation of the Pension Builder Scheme is carried out once every three years. The most recent was carried out as at 31 December 2019, and was finalised in March 2021. The next valuation is due as at 31 December 2022, but is not expected to be finalised until early 2024.

For the PB Classic section, the valuation revealed a deficit of £4.8m on the ongoing assumptions used. The pension scheme administrators have estimated that the Hospital's share of the liabilities of the scheme is of the order of 0.2% of the total, which is less than £10,000. At the most recent annual review, the Board chose to grant a discretionary bonus of 3% following improvements in the funding position over 2021. There is currently no requirement for deficit payments to be made.

For the PB14 section, the valuation revealed a surplus of £5.5m on the ongoing assumptions used. There is currently no requirement for deficit payments to be made.

The legal structure of the scheme is such that if another employer fails, the Hospital could become responsible for paying a share of that employer's pension liabilities.

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

14. Net gains on investment assets

	Permanent funds 2022 £	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Unrealised gains/(losses) on revaluation of investment properties	70,000	-	-	70,000	295,000
Realised gains/(losses) on investments	-	-	-	-	-
Unrealised gains/(losses) on investments	(1,616,793)	(49,614)	(257,248)	(1,923,655)	1,860,214
	(1,546,793)	(49,614)	(257,248)	(1,853,655)	2,155,214

15. Gross transfers between funds

	Restricted funds £	Unrestricted funds £
Appropriations to restricted funds	1,625	(1,625)
	1,625	(1,625)

Appropriations to restricted funds represent the annual contribution to the Extraordinary Repair Fund and are offset by a transfer from restricted funds due to funds being de-restricted following the conditions of the restriction being met.

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

16. Tangible fixed assets

	Fixtures, fittings & plant £	Total £
Cost or valuation		
At 1 January 2022	541,213	541,213
Additions	-	-
On revaluations	-	-
	<hr/>	<hr/>
At 31 December 2022	541,213	541,213
	<hr/>	<hr/>
Depreciation		
At 1 January 2022	113,899	113,899
Charge for the year	36,081	36,081
	<hr/>	<hr/>
At 31 December 2022	149,980	149,980
	<hr/>	<hr/>
Net book value		
At 31 December 2022	391,233	391,233
	<hr/>	<hr/>
At 31 December 2021	427,314	427,314
	<hr/>	<hr/>

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

17. Fixed asset investment properties

	Investment properties <i>Hospital</i> £	Investment properties <i>Noble Poverty</i> £	Total £
Cost or valuation			
At 1 January 2022	5,136,000	980,000	6,116,000
Additions	-	-	-
Disposals	-	-	-
On revaluations	70,000	-	70,000
At 31 December 2022	5,206,000	980,000	6,186,000
Net book value			
At 31 December 2022	5,206,000	980,000	6,186,000
At 31 December 2021	5,136,000	980,000	6,116,000

Investment properties

The investment properties were professionally revalued as at 31 December 2018 at open market value and the values were reviewed and adjusted as at 31 December 2022 in line with indexed growth in the residential property market.

Heritage assets

The heritage assets are the property of the Hospital of St Cross Foundation and Almshouse of Noble Poverty Foundation jointly and comprise 25 Almshouses, the Church of St Cross, hall, gatehouse and ancillary buildings, and St Faith's Churchyard. The conservation of these buildings is one of the Hospital's primary objectives. The buildings were constructed in earlier centuries and their original cost has long since been written off and are therefore held at £nil net book value. No significant building unit has been added during the past sixty years.

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

18. Fixed asset investments

	Permanent funds £	Restricted funds £	Unrestricted funds £	Total funds £
CCLA Funds at market value				
At 1 January 2022	13,473,685	530,974	2,175,947	16,180,606
Recoupments	-	1,625	-	1,625
Additions	-	-	-	-
Disposals	-	-	-	-
Transfers Between Funds	-	-	-	-
Transfers to Cash	-	-	-	-
Change in market value	(1,616,793)	(49,614)	(257,248)	(1,923,655)
At 31 December 2022	11,856,892	482,985	1,918,699	14,258,576

19. Stocks

	2022 £	2021 £
Goods for resale	8,825	11,145
	8,825	11,145

20. Debtors

	2022 £	2021 £
Trade debtors	11,683	8,520
Other debtors	1,201	3,178
Prepayments and accrued income	4,551	2,059
	17,435	13,757

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

21. Creditors

	2022 £	2021 £
Trade creditors	34,263	54,220
Taxation and social security	8,710	5,163
Other creditors	590	1,402
Accruals and deferred income	24,559	66,343
	68,122	127,128

Deferred income relates to deposits paid for future events/weddings; the balance held at the end of the year was £4,528 (2021: £5,294).

22. Permanent endowment funds

	At 1 Jan 2022 £	Movement for the year £	At 31 Dec 2022 £
Hospital of St Cross Foundation	17,627,805	(1,212,840)	16,414,965
Almshouse of Noble Poverty Foundation	1,580,146	47,781	1,627,927
	19,207,951	(1,165,059)	18,042,892
91, 93, 95 St Cross Road recoupment fund	132,958	(132,958)	-
Porter's Lodge recoupment fund	71,247	(71,247)	-
Brothers' flats recoupment fund	177,529	(177,529)	-
	381,734	(381,734)	-
	19,589,685	(1,546,793)	18,042,892

During 2022 the Trustees, with the permission of the Charity Commission, approved an Order allowing the balance on the recoupment funds to be administered as part of the Hospital's permanent endowment; they therefore no longer require to be accounted for separately.

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

23. Restricted funds

	At 1 Jan 2022 £	Movement for the year £	At 31 Dec 2022 £
Extraordinary repair funds (a)	469,749	(40,699)	429,050
John Hatton fund (b)	76,955	(6,045)	70,910
Brothers' welfare fund (c)	4,295	(746)	3,549
Friends of St Cross grant fund	7,143	(7,143)	-
	558,142	(54,633)	503,509

- a) Exceptional repairs to property (Scheme of 5 November 1984, clause 46: annual contributions of not less than £1,625).
- b) To provide for the Hospital's general purposes for the benefit and advancement of the social life of the Brothers.
- c) To provide for the welfare of the Brothers through donations given through collection boxes. Donations totalling £1,176 were received in the year and £1,922 disbursed.

24. Unrestricted funds

	At 1 Jan 2022 £	Movement for the year £	At 31 Dec 2022 £
Designated funds:			
Commander J S Baker Bequest	561,194	(65,223)	495,971
Miss G M Bauer Bequest	194,449	(27,579)	166,870
Refurbishment Reserve	100,000	-	100,000
	855,643	(92,802)	762,841
General fund	1,879,788	(149,678)	1,730,110
	2,735,431	(242,480)	2,492,951

The Refurbishment Reserve comprises amounts appropriated from the General Fund towards the cost of refurbishing the Brothers' flats.

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

25. Analysis of net assets between funds

	Permanent funds 2022 £	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Tangible fixed assets	-	-	391,233	391,233	427,314
Fixed asset investment properties	6,186,000	-	-	6,186,000	6,116,000
Fixed asset investments	11,856,892	482,985	1,918,699	14,258,576	16,180,606
Current assets	-	20,524	251,141	271,665	286,466
Creditors due within one year	-	-	(68,122)	(68,122)	(127,128)
	18,042,892	503,509	2,492,951	21,039,352	22,883,258

Analysis of net assets between funds (prior year comparative)

	Permanent funds 2021 £	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Tangible fixed assets	-	-	427,314	427,314	451,005
Fixed asset investment properties	6,116,000	-	-	6,116,000	5,821,000
Fixed asset investments	13,473,685	530,974	2,175,947	16,180,606	14,309,296
Current assets	-	27,168	259,298	286,466	97,386
Creditors due within one year	-	-	(127,128)	(127,128)	(123,099)
	19,589,685	558,142	2,735,431	22,883,258	20,555,588

26. Analysis of changes in net cash

	At 1 Jan 2022 £	Cash flow £	At 31 Dec 2022 £
Cash at bank and in hand	234,342	(19,151)	215,191
Cash held with investment manager	27,222	2,992	30,214
Net Cash	261,564	(16,159)	245,405

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

27. Financial instruments

	2022 £	2021 £
Basic financial assets	14,525,690	16,465,013
Basic financial liabilities	(59,412)	(121,965)

Basic financial assets are all investments (excluding investment properties), debtors plus cash in hand minus prepayments.

Basic financial liabilities are all creditors due in less than one year plus creditors due in more than one year minus taxation payable.

The entity's income, expense, gains and losses in respect of financial instruments are summarised below:-

	2022 £	2021 £
Total dividend and interest income for basic financial assets	437,431	425,482
Total (losses)/gains in respect of basic financial assets	(1,923,655)	1,860,214

28. Financial Commitments

Non-cancellable operating lease rentals receivable

	2022 £	2021 £
Less than one year	62,380	34,489
After one year and less than five years	38,480	563
After five years	5,585	-
	<hr/> 106,445	<hr/> 35,052

The lease rentals receivable relates to rent income receivable from the Hospital's investment properties. The amounts receivable are limited to the next rent review date for agricultural properties or the earlier of the lease end date or break clause for other properties.

29. Commitments and contingencies

There were no material commitments at 31 December 2022 or 31 December 2021.

There were no contingent liabilities at 31 December 2022 or 31 December 2021.

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

30. Related party transactions and Trustees' expenses and remuneration

No Trustee received any remuneration or reimbursement of expenses from the Hospital during the year.

Mrs Felicity Pennycook and Mr Jonathan Cooke are also Trustees of the Friends of St Cross Hospital Winchester. The Friends made a grant of £15,000 (2021: £17,000) to the Hospital during the year.

Key management personnel received total remuneration of £nil during the year (2021: £nil).

During the year, total donations by the trustees to the charity amounted to £nil (2021: £nil).

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

31. Additional prior year comparatives – statement of financial activities

	Note	Permanent funds 2021 £	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:						
Donations, grants and legacies	2	-	19,021	73,176	92,197	53,329
Fundraising activities	3	-	-	24,834	24,834	6,701
Investment income	4	-	2,661	558,334	560,995	426,776
Charitable activities	5	-	-	251,408	251,408	171,232
Total income		-	21,682	907,752	929,434	658,038
Expenditure on:						
<i>Raising funds:</i>						
Costs of generating voluntary income	6	-	-	8,889	8,889	6,001
Investment management costs	7	8,435	-	41,917	50,352	45,485
Charitable activities	8	-	28,013	669,724	697,737	685,901
Total expenditure		8,435	28,013	720,530	756,978	737,387
Net incoming (outgoing) resources before investment gains		(8,435)	(6,331)	187,222	172,456	(79,349)
Net gains (losses) on investments	14	1,806,344	77,041	271,829	2,155,214	653,320
Net income before transfers		1,797,909	70,710	459,051	2,327,670	573,971
Transfers between funds	15	10,308	1,625	(11,933)	-	-
Net movement in funds		1,808,217	72,335	447,118	2,327,670	573,971
Reconciliation of funds:						
Total funds at 1 January 2021		17,781,468	485,807	2,288,313	20,555,588	19,981,617
Total funds at 31 December 2021		19,589,685	558,142	2,735,431	22,883,258	20,555,588

HOSPITAL OF ST CROSS AND ALMSHOUSE OF NOBLE POVERTY

England & Wales - Charity number 202751

Accounts

Charity number: 202751

The Hospital of St Cross and Almshouse of Noble Poverty

Trustees' report and

Financial statements

For the year ended 31 December 2021

The Hospital of St Cross and Almshouse of Noble Poverty

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The Hospital of St Cross and Almshouse of Noble Poverty

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS

FOR THE YEAR ENDED 31 DECEMBER 2021

Charity registered number

202751

Registered office

Hospital of St Cross, St Cross Road, Winchester, SO23 9SD

Co-optative Trustees

Mr Jonathan Cooke (Chairman)
Mr William Corbett
Mr Christopher Anderson
Mrs Rosemary Andreae (retired March 2022)
Mrs Gill Beck (PCC)
Mr Christopher Higgins
Mr Michael Killingley FCA
Mrs Imogen Lyndon Skeggs (appointed March 2022)
Mrs Felicity Pennycook ACA (Honorary Treasurer)
Mrs Katherine Wake
Dr Tim Foster

Nominative Trustees

Mr Robin Chute (Winchester College – retired June 2021)
Cllr Fiona Mather (Winchester City Council)
Mr Adam Rattray (Winchester College – appointed June 2021)

Ex-officio Trustees

The Master of St Cross: The Reverend Terry Hemming
The Dean of Winchester: The Very Rev Catherine Ogle
The Right Worshipful Mayor of Winchester: Cllr Patrick Cunningham (2020/2021), Cllr Vivian Achwal (2021/2022), Cllr Derek Green (2022/2023)

Clerk to the Trustees

Mrs Catriona Morley

Bankers

National Westminster Bank plc, 105 High Street, Winchester, SO23 9AW

Solicitors

Godwins, 12 St Thomas Street, Winchester, SO23 9HF

Investment Managers

CCLA Investment Management Ltd, Senator House, 85 Queen Victoria Street, London, EC4V 4ET

Property advisors

Carter Jonas, 9a Jewry Street, Winchester, SO23 8RZ

Auditor

Crowe U.K. LLP, Aquis House, 49-51 Blagrove Street, Reading, RG1 1PL

The Hospital of St Cross and Almshouse of Noble Poverty

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

Principal activities and aims

The Hospital's principal activity continues to be the provision of a living community which offers a home and haven to elderly gentlemen on the premises of "England's oldest and most perfect Almshouse" and to provide a welcome to all who wish to visit the Hospital and enjoy its surroundings.

The Hospital was originally founded around 1132 by Henri de Blois, Bishop of Winchester. Its aims are to maintain the property, care for the Brothers, welcome visitors and continue the worship at the Church of St Cross for the Brothers and, for the past 500 years, the parishioners of St Faith.

Review of achievements and performance for the year

Heritage Profile

2021 saw the easing of Covid restrictions, and the UK's successful vaccination programme gave the public confidence to venture out; it was pleasing to see the return of a significant number of visitors to St. Cross during the second half of the year.

The Hospital's spacious Church, Halls and grounds enabled St Cross to open up to visitors safely whilst still protecting its elderly residents. A broadband service was transmitted across the inner quad from the office to the Church to facilitate the live streaming of services for cautious parishioners who continued to worship from home.

During the year discussions about celebrations for the Hospital's 900 year anniversary (in 2032) started as such an important milestone would require careful planning. In September the Hospital took part in the National Heritage Open Days scheme, which offers free entry for one day in order to celebrate and promote the UK's history and culture. December was a busy month for seasonal concerts in the Church, as many couldn't take place in 2020.

In a continued effort to make a positive contribution to the natural environment, further nest boxes for Swifts were installed at St Cross by the Hampshire Swifts Group. The number of nesting Swifts which reared young doubled in 2021 compared with the previous year; a very pleasing result.

Review of charitable activities

Buildings conservation

The largest element of the repair budget in 2021 was to repair the church south transept, sacristy and south chancel roofs, at an estimated cost of £120,000. This work did not take place; cost estimates were significantly higher than expected because of the impact of Brexit and the COVID pandemic on supply chains. Temporary repairs have been undertaken, and the Hospital's architects will make a fuller assessment during 2022 of the extent and timing of any further repair work required.

In other respects the planned repair programme for 2021 was largely unaffected, including a continuation of work to renew the plumbing to the Brothers' flats, with a further £57,000 spent, and the refurbishment of the medieval Hundred Men's Hall at a cost of £36,000, largely funded by a generous grant of £25,000 by the Friends of St. Cross Hospital.

The Hospital of St Cross and Almshouse of Noble Poverty

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

Welfare and visitors

No new Brothers were able to take up residence at St. Cross between March 2020 and the end of 2021 because of the disruption caused by the pandemic. One Brother left St Cross to take up residence in a nursing home (just before his 100th birthday) in June and sadly a Brother died in January 2022. However, the recruitment drive to fill the vacant flats has been successful and the Trustees have been pleased to welcome four new Brothers in 2022.

The Hospital had about 3,500 paying visitors in 2021, a significant improvement on the 600 in 2020, but still well below the 8,000 in 2019. It was pleasing that, again after the cancellation of most events in 2020, there were 17 weddings at St. Cross during the year, and a successful Michaelmas Fair in September.

Friends of St Cross Hospital

The Friends of St. Cross has about 720 individual members. They provide a wide range of educational and fund-raising activities both within and outside the premises of the Hospital, although these were curtailed during the pandemic. During this period the Friends were able to offer members some lectures over Zoom; face to face meetings were resumed during 2021.

During 2021 the Friends generously donated £17,000 to the Hospital to fund the project to repave the area beneath the Beaufort Tower; this work was completed early in 2022.

Financial review

Financial activities

The Hospital's surplus in 2021, before investment gains, was £172,000, following a deficit in 2020 of £79,000. It was important for the Hospital to realise a surplus, to recover the losses suffered during the previous year.

As noted above, planned repairs to the church roof, budgeted at £120,000, did not take place during the year, so the surplus has been flattered significantly by the delay; this is unlikely to be a long-term saving, as the repair work will almost certainly be required to be undertaken in the foreseeable future.

Income recovered from the 2020 COVID restricted total of £658,000 to £929,000. The principal reasons for the recovery were:

- higher investment income (+ £134,000) following the investment in 2020 of the proceeds of sale of land owned by the Hospital at Whitchurch;
- a recovery in visitor income following the 2020 COVID related closures (+£90,000); and
- a very welcome donation by the Oak Foundation of £37,500

Resources expended during the year were well controlled, increasing by 3% to £757,000 (2020: £737,000).

Balance Sheet

Net assets increased by 11% to £22.9 million (2020: £20.6 million), primarily as a result of a strong performance by the Hospital's investment portfolio, managed by CCLA, which increased in value by 13% to £16.2 million, driven by strong equity markets. The outlook for investment performance in 2022 is, however, uncertain, in light of the Russian invasion of Ukraine and the twin threats of inflation and possible economic recession.

Cash at bank and in hand at 31 December 2021 was £262,000 (2020: £88,000).

The Hospital of St Cross and Almshouse of Noble Poverty

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

Resources and Reserves policy

Of the total funds at 31 December 2021 of £22.9 million, £19.6 million was permanent endowment and £558,000 restricted funds. Within restricted funds £81,300 related to Brothers' welfare and social activities.

Unrestricted funds were £2.7 million of which £856,000 were designated funds. The balance relates to the General Fund which includes £427,000 of tangible fixed assets (mostly the new visitor toilets and boilers).

The Trustees' policy is to plan expenditure within available resources whilst retaining reserves to provide a degree of flexibility to meet the cost of major repairs. These can be significant when maintaining ancient Grade 1 listed buildings.

Investment policy

The foundation buildings and the investment properties are managed to best effect with the aid of quinquennial inspections and reports.

Monetary investments are currently held in common investment funds, where the fund managers practise socially responsible investment. The policy applicable to equity-based investments is to produce the best income compatible with longer-term capital growth and security. The policy applicable to fixed interest and variable interest-bearing investments is to aim for maximum income subject to protection of capital (such investments are made into highly rated bonds or deposits).

Outlook and future plans

The Hospital will continue the aims as stated above, namely the maintenance and refurbishment of the fabric of the church and hospital buildings, and the welfare of the Brothers.

Refurbishment of Brothers' flats

Planning consent for this major refurbishment project was received during the year, and the Trustees hope to be able to start work on the project later in 2022.

The refurbishment will extend over several years, firstly because of the logistical constraints of housing all the Brothers while the work takes place, and secondly because it is beyond the ability of the Hospital to fund solely from its own reserves. The latest estimate of the cost of the project is about £3.5 million.

The Charity Commission have approved the Trustees' request that up to £1 million of the Hospital's permanent endowment can be used towards the funding some of the refurbishment work. Furthermore, the Trustees have decided that, in years when a surplus has been achieved, part of that surplus should be transferred to a newly established 'Refurbishment Reserve' within unrestricted funds to contribute further to the cost of the project. For 2021 the Trustees have appropriated £100,000 of the surplus to this reserve.

It will be clear that the Hospital can afford to fund only part of the full cost of refurbishment from its own resources; the Trustees are therefore considering how best to raise the additional funds which will be required.

The Hospital of St Cross and Almshouse of Noble Poverty

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

Other matters

The COVID-19 pandemic had a significant adverse effect on the Hospital's income in 2020, and this has continued into 2021. The Hospital is well funded and managed, and is thus able to withstand these shocks but, as long as there is significant uncertainty over future income, the Trustees will only commit to future plans to the extent that it is prudent to do so.

Because of the pandemic, no further progress has been made on the Landscape and Conservation Masterplan, which is intended to create a historically relevant management plan for the Hospital's land, including the Park and water meadows. During 2020 we drew up a tree management strategy and undertook a tree safety audit, which cover the extent of ash dieback and recommendations for other tree works. This tree removal will also help the plight of the rare Southern Damselfly and we have been in discussion with Hampshire and Isle of Wight Wildlife Trust about this project. We hope that this work will commence in Autumn 2022.

Public benefit and the relief of poverty

The two foundations of the Hospital of St Cross (established 1132) and the Almshouse of Noble Poverty (established 1455) were founded to provide relief for the poor and needy, through the provision of accommodation and sustenance. The Trustees of the (now combined) foundations are also fully committed to the maintenance in their original style of the Hospital's unique set of grade-one-listed medieval buildings and have in place a continuing programme of repair and improvement.

The Hospital is at the heart of the local community. As an historic almshouse, it provides accommodation for twenty-five elderly men. The visiting public are welcome for 363 days in the year to visit the ancient buildings, walk in the gardens, request the Wayfarer's Dole and take refreshment provided by the Hospital volunteers in the medieval Hundred Men's Hall.

The Hospital's website is being continuously developed and improved to provide interesting and useful information for the local community, visitors and prospective Brothers. The shop catalogue has been added, as has a page about the historic graffiti survey. Work is ongoing to produce a page about the various archaeological digs which have taken place over the years. The Hospital explores ways in which it can help with environmental issues and has expanded the directions page on the website to include information on all the options available to visitors to travel to the site, including public transport.

The areas of public benefit set out in the following paragraphs remain central to the role of the Hospital in the community, albeit that so many of these activities were curtailed or cancelled in 2020 and the first part of 2021 because of the COVID-19 restrictions.

- The Hospital enjoys an excellent association with the Parish of St Faith, who have worshipped at St Cross since 1507 when their own church fell into disrepair. The Parish regard St Cross Church as their principal place of worship with a typical Sunday attendance of well over 100 worshippers. They do much to assist in the upkeep of the church. In addition the Parish hold the annual local fete, which is enjoyed by up to 2000 people, in the grounds of the Hospital. The fete was cancelled in both 2020 and 2021.
- The church and other buildings within the Hospital are in regular use by the Friends and other local groups for worship, concerts, educational purposes and events. There is a very strong musical tradition which continues to flourish with a very fine church organ and an active church choir. The church is in high demand for concerts and musical performances.

The Hospital of St Cross and Almshouse of Noble Poverty

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

- The Brothers' Library is equipped to provide a flexible education room. School parties can visit to learn about the Hospital using a carefully-designed activity programme which is based on the current Key Stage 2 school curriculum. These school visits are managed in conjunction with HIWWT. HIWWT conduct educational wildlife tours of the Water Meadows which were followed by a visit to the Hospital. Local schools and a higher education college use the church and medieval halls for services and degree ceremonies.
- Outside the main site, the Hospital provides several other significant facilities which help to nurture a strong sense of local community. These include the provision of the Parish Hall and 80 traditional allotments in a beautiful setting by the river. The Parish Hall is in constant community use for the local pre-school nursery, Girl Guides, Brownies and other local activities such as yoga and dance classes.
- The meadows which surround the Hospital provide a peaceful setting in which the public are able to walk and relax free of charge. The meadow is let to and managed by HIWWT as part of their programme of countryside management and public education. Beyond the meadow, the Hospital lets its land to the local St Cross Cricket Club where regular matches are held for both adult and youth cricket.
- The Hospital records since its original foundation are documents of considerable historical interest and importance. To reduce the risk of their loss or destruction, the records are held and preserved by the Hampshire Record Office and are available for public view within certain limitations to protect individual privacy. Plans are in place to continue adding to the archives.

Structure, governance and management

Governing document

The Hospital of St Cross (the Hospital) is a registered charity whose objects are set out in the Charity Commission Scheme dated 5 November 1984 ('the Scheme'), as varied by the Scheme of 14 March 1990, an Order of 1 November 2006, a Memorandum of 5 September 2006 and Resolutions of 23 June 2009, 20 March 2012 and 23 March 2022. The 2022 Resolution amended the Scheme to reflect the Charity Commission's consent to permit the Hospital to expend part of its permanent endowment.

There are two foundations, the Hospital of St Cross and the Almshouse of Noble Poverty. The Hospital's property and assets are owned by the two foundations as the Corporation of the Master and Brethren [Brothers] of the House or Hospital of St Cross and the Trustees administer it on behalf of the Corporation.

The Trustees' responsibilities for application of income are set out in the Scheme. The first such responsibility is to defray out of the income of the Hospital the cost of maintaining the property and all other costs payable in respect of the property and all the proper costs of administration and management of the Hospital. Subject to the payments aforesaid, the Trustees shall apply the income of the Hospital for the benefit of the Brothers in such manner as the Trustees think fit.

Trustees

The names of the Trustees who served during the year and to the date of this report are shown on page 1. Co-optative Trustees are appointed by the Trustees and serve for five years. One nominative Trustee is appointed by Winchester City Council and serves for four years. The other nominative Trustee is appointed by the Warden of Winchester College. The Trustees meet quarterly and have appointed committees covering finance, property, risk management, visitors and welfare. Each Trustee usually sits on two committees.

The Hospital of St Cross and Almshouse of Noble Poverty

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

Trustee recruitment

Co-optative Trustees are recruited after a thorough selection and interview process which ensures that a balance of relevant skills is maintained across the Board.

Trustee training

Each Trustee, upon appointment, receives a Trustee's welcome and induction pack, indicating the range of their responsibilities; in addition some of the Trustees attend annual seminars on accounting for charities and recent charity legislation and practice. All Trustees also receive copies of the magazine, Governance, which provides essential information for effective Trustees.

Organisational management

Under the Scheme, responsibility for the management and control of the Hospital and the Brethren rests with the Trustees. The day-to-day running of the Hospital, the maintenance of the premises and management of the employees is delegated to the Clerk to the Trustees, under the general supervision of the Trustees. The Master of St Cross (himself a Trustee) is charged with the pastoral welfare of the Brethren.

Brothers' accommodation is kept to a high standard and advertised regularly to ensure that any vacancies are filled by suitable applicants.

Risk management

The Trustees have examined the principal areas of the Hospital's operations and considered the major risks faced in each of these areas.

The Risk Management Committee biannually establishes, assesses and categorises all risks. In the opinion of the Trustees, the Hospital has established resources and review systems which allow these risks to be mitigated to an acceptable level in day-to-day operations.

During the COVID pandemic, a standing committee of Trustees was established and met weekly online to review the latest guidance and information to enable it to take whatever action is necessary to keep the Brothers and staff safe. The Trustees and Clerk to the Trustees found this a useful forum; therefore, since the lifting of COVID restrictions, it has been reconstituted as a steering committee and continues to meet online every 2 to 3 weeks.

Maintenance of income streams is vital in order to continue to meet the Hospital's objects. Reserves are invested in a mix of stock market investment funds and investment properties to spread risk whilst producing a regular income stream. Trustees work with the Investment Managers and Property Advisers to ensure that an appropriate asset allocation is maintained.

The repair and safeguarding of Grade 1 listed medieval buildings is costly and good maintenance is an important part of this. All Heritage buildings are subject to quinquennial inspection and there is a continual programme of repair and improvement. Regular insurance reviews are carried out.

Annual fire risk assessments are carried out and the Hospital works closely with the local Fire Service to ensure quick and effective access in the event of an emergency. The Hospital also complies with the latest Health and Safety Management System backed by regular internal and external audits.

The easing of COVID restrictions has facilitated a return to work on the list of building improvements which will further improve the accessibility and safe enjoyment of the Hospital site.

The Hospital of St Cross and Almshouse of Noble Poverty

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

Trustees' responsibilities for the financial statements

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

The law applicable to charities in England and Wales 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 resource of the charity for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities Statement of Recommended Practice;
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether applicable UK 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 operation.

The Trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and 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 Scheme. 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.

The report was approved by the Trustees at their meeting on 21 June 2022 and signed on their behalf by:


Jonathan Cooke – Chairman

The Hospital of St Cross and Almshouse of Noble Poverty

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE HOSPITAL OF ST CROSS
AND ALMSHOUSE OF NOBLE POVERTY

FOR THE YEAR ENDED 31 DECEMBER 2021

Opinion

We have audited the financial statements of The Hospital of St Cross and Almshouse Poverty ('the charity') for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cashflow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2021 and of its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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 Auditor's 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 trustee's 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 contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report 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.

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.

The Hospital of St Cross and Almshouse of Noble Poverty

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE HOSPITAL OF ST CROSS
AND ALMSHOUSE OF NOBLE POVERTY

FOR THE YEAR ENDED 31 DECEMBER 2021

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient and proper accounting records have not been kept by the charity; 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.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 8, the trustees 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 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.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section of the Charities Act 2011, and report in accordance with the Acts 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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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 auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charity operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

The Hospital of St Cross and Almshouse of Noble Poverty

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE HOSPITAL OF ST CROSS
AND ALMSHOUSE OF NOBLE POVERTY

FOR THE YEAR ENDED 31 DECEMBER 2021

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity for fraud. The laws and regulations we considered in this context for the UK operations were Charities Act 2011, The Charities (Accounts and Reports) Regulations 2008, The Charities SORP (FRS102) and Financial Reporting Standard 102.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income, stock and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Audit & Risk Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Crowe UK LLP

Crowe U.K. LLP
Statutory Auditor

Thames Valley

1 July 2022

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 12.12 of the Companies Act 2006.

The Hospital of St Cross and Almshouse of Noble Poverty

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	Permanent funds 2021 £	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:						
Donations, grants and legacies	2	-	19,021	73,176	92,197	53,329
Fundraising activities	3	-	-	24,834	24,834	6,701
Investment income	4	-	2,661	558,334	560,995	426,776
Charitable activities	5	-	-	251,408	251,408	171,232
Total income		-	21,682	907,752	929,434	658,038
Expenditure on:						
<i>Raising funds:</i>						
Costs of generating voluntary income	6	-	-	8,889	8,889	6,001
Investment management costs	7	8,435	-	41,917	50,352	45,485
Charitable activities	8	-	28,013	669,724	697,737	685,901
Total expenditure		8,435	28,013	720,530	756,978	737,387
Net incoming (outgoing) resources before investment gains		(8,435)	(6,331)	187,222	172,456	(79,349)
Net gains (losses) on investments	14	1,806,344	77,041	271,829	2,155,214	653,320
Net income before transfers		1,797,909	70,710	459,051	2,327,670	573,971
Transfers between funds	15	10,308	1,625	(11,933)	-	-
Net movement in funds		1,808,217	72,335	447,118	2,327,670	573,971
Reconciliation of funds:						
Total funds at 1 January 2021		17,781,468	485,807	2,288,313	20,555,588	19,981,617
Total funds at 31 December 2021		19,589,685	558,142	2,735,431	22,883,258	20,555,588

The Hospital of St Cross and Almshouse of Noble Poverty

BALANCE SHEET

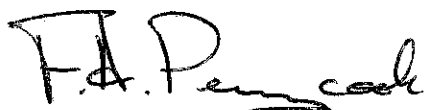
FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	£	2021 £	£	2020 £
Fixed assets					
Tangible assets	16		427,314		451,005
Investment Properties	17		6,116,000		5,821,000
Investments	18		16,180,606		14,309,296
			22,723,920		20,581,301
Current assets					
Stocks	19	11,145		-	
Debtors	20	13,757		9,504	
Cash at bank and in hand	26	261,564		87,882	
		286,466		97,386	
Creditors: amounts falling due within one year	21	(127,128)		(123,099)	
Net current (liabilities)/assets			159,338		(25,713)
Net assets			22,883,258		20,555,588
Charity funds					
Permanent funds	22		19,589,685		17,781,468
Restricted funds	23		558,142		485,807
Unrestricted funds	24		2,735,431		2,288,313
Total funds			22,883,258		20,555,588

The financial statements were approved by the Trustees at their meeting on 21 June 2022 and signed on their behalf, by:



Jonathan Cooke – Chairman



Felicity Pennycook – Honorary Treasurer

The notes on pages 15 to 35 form part of these financial statements.

The Hospital of St Cross and Almshouse of Noble Poverty

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net income (outgoings) for the year (from Statement of Financial Activities)		172,456	(79,349)
Adjustment for:			
Dividends, interest and rents from investments		(560,995)	(426,776)
Decrease/(Increase) in stock		(11,145)	-
Decrease/(Increase) in debtors		(4,253)	21,390
(Decrease)/Increase in creditors		4,029	33,318
Depreciation of tangible fixed assets		35,306	34,397
Net cash provided by operating activities		(364,602)	(417,020)
Cash flows from investing activities			
Purchase of fixed asset investments		(11,933)	(4,010,579)
Transfers to cash from investments		837	50,000
Purchase of tangible fixed assets		(11,615)	(13,642)
Disposal of tangible fixed assets		-	3,997,811
Dividends, interest and rents receivable		560,995	426,776
Net cash used in investing activities		538,284	450,366
Change in cash and cash equivalents in the year	26	173,682	33,346
Cash and cash equivalents brought forward		87,882	54,536
Cash and cash equivalents carried forward		261,564	87,882

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1. Accounting Policies and Key Judgements

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with 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 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The Hospital of St Cross and Almshouse of Noble Poverty meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 Going concern

The Trustees consider that there are no material uncertainties about the Hospital's ability to continue as a going concern. The most significant areas of uncertainty that affect the carrying value of assets held by the Hospital are the level of investment return and the performance of investment markets, which have recently been impacted by COVID-19 (see the investment policy and risk management sections of the Trustees' annual report for more information).

1.3 Tangible assets

Heritage assets

The freehold properties described in Note 17 on page 27 are not included in the balance sheet at a monetary value as neither their costs, which have been fully written off, nor their market values are available. Significant improvements to the fitting out of heritage assets are capitalised where appropriate as fixtures and fittings.

Fixtures, fittings and plant

Individual assets costing more than £5,000 are capitalised and included at cost, including any incidental costs of acquisition.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Fixtures & Fittings	- 15 years straight line
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The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1. Accounting Policies and Key Judgements

Investment properties

Investment properties are included in the balance sheet at their open market values by a professional revaluation every five years and by the Trustees in the intervening years. The surplus or deficit on revaluation of individual properties is transferred to the permanent endowment fund via the Statement of Financial Activities. Depreciation is not provided in respect of freehold investment properties, in accordance with Section 16: Investment Property of FRS 102.

1.4 Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on the revaluation and disposals throughout the year.

The Hospital does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the Hospital is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

1.5 Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

1.6 Stocks

The cost of publications and souvenirs for public sale are valued at the lower of the cost and net realisable value after making due allowance for slow-moving items. Previously the cost of these items was charged to revenue in the year in which the cost was incurred, since the quantities on hand at the balance sheet date were insufficiently material to require disclosure.

1.7 Contingent liabilities

A contingent liability is identified and disclosed resulting from a possible obligation which will only be confirmed by the occurrence of one or more uncertain future events not wholly within the Trustees' control, a present obligation where settlement is either not considered probable, or the amount has not been communicated and that amount cannot be estimated reliably.

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1. Accounting Policies and Key Judgements

1.8 Incoming resources

All incoming resources are recognised once the Hospital has entitlement to the resources, it is probable that the resources will be received and the monetary value of incoming resources can be measured with sufficient reliability.

“Incoming resources from generated funds” include donations, legacies, grants, investment income and sales to visitors and other external users of the Hospital’s facilities.

“Incoming resources from charitable activities” derive from the Hospital’s pursuit of its charitable objects.

Donations (including Gift Aid recoveries) are recognised when the Hospital has been notified in writing of both the amount and settlement date, or when they are received. In the event that a donation is subject to conditions that require a level of performance before the Hospital is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Hospital and it is probable that those conditions will be fulfilled in the reporting period.

Legacies are accounted for on a receivable basis. Pecuniary legacies are recognised following formal notification from the estate. Residuary legacies are recognised only when the Hospital’s interest can be measured, which is normally on grant of probate.

Grants receivable in respect of expenditure incurred during the year are brought into account provided they have been approved for payment at the year end.

Dividends and interest, bank deposit account interest, and rents receivable are brought into account on a receivable basis.

Income from public visiting and similar activities is recognised when received.

1.9 Resources expended

Liabilities are recognised as soon as there is a legal or constructive obligation committing the Hospital to the expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. The Hospital is not registered for VAT and accordingly expenditure is shown inclusive of VAT.

“Costs of generating funds” comprise costs of attracting voluntary income, costs of goods sold for fund raising purposes, and costs of managing the investment properties.

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1. Accounting Policies and Key Judgements

“Charitable activities” comprise costs to maintain the charitable property and to provide accommodation and welfare for the Brothers.

Support costs, comprising salaries and office costs, have been allocated to the activity cost categories based on an estimate of the time spent.

1.10 Pension schemes

For eligible salaried employees the Hospital participates in the Church of England Pension Builder scheme within the Church Workers Pension Fund (CWPF).

Eligible employees who joined the Hospital up to May 2021 were entitled to become members of the Pension Builder Classic section of the scheme; this is a deferred annuity scheme, which is a defined benefit scheme.

Since June 2021 new employees have been entitled to become members of the scheme’s Pension Builder 14 section; this is a cash balance scheme and is also classed as a defined benefit scheme; it is similar to a defined contribution scheme but with a guarantee that the retirement cash sum will not usually decrease.

The pension costs charged against the surplus or deficit for the year represent the contributions payable to the scheme in respect of the accounting period. If there were to be a large funding deficit over a prolonged period, additional contributions might become payable, although to date the CWPF has never sought any such contributions.

1.11 Funds

The Hospital’s permanent endowment funds are set out in note 22 to the financial statements. They comprise the permanent endowment funds of the two constituent charities, the Hospital of St Cross Foundation and the Almshouse of Noble Poverty Foundation. The income from the investment assets of the funds is unrestricted. The Hospital also has three funds set up under Recoupment Orders issued by the Charity Commission to restore permanent endowment capital expended on major projects.

Restricted funds are funds subject to specific conditions within the objects of the Hospital and are set out in note 23 to the financial statements.

Unrestricted funds are funds where no restrictions are placed on the use by the Hospital upon either the capital or the income and comprise:

- (i) The Commander J S Baker Bequest – a designated fund
- (ii) The Miss G M Bauer Bequest – designated by the Trustees for use on arboricultural and horticultural projects
- (iii) General fund – to provide the Hospital’s working capital.

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1. Accounting Policies and Key Judgements

1.12 Key Judgements

Certain reported amounts of assets and liabilities are subject to estimates and assumptions. Estimates and judgements by management are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Judgements that have the most significant effect on the amounts recognised in the financial statements and estimates that can cause a significant adjustment to the carrying amount of assets and liabilities within the next financial year include:

Investment property

The investment property valuation is reviewed annually by the Trustees. The properties are stated at fair value with changes in the fair value being recognised in the Statement of Financial Activities.

2. Income from donations, grants and legacies

	Permanent funds 2021 £	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donations	-	1,321	6,686	8,007	2,245
Grants	-	17,700	66,490	84,190	51,084
Legacies	-	-	-	-	-
Total donations and legacies	-	19,021	73,176	92,197	53,329

3. Income from fundraising activities

	Permanent funds 2021 £	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Events	-	-	3,069	3,069	-
Shop sales	-	-	13,187	13,187	6,606
Tearoom sales	-	-	8,578	8,578	95
Total fundraising income	-	-	24,834	24,834	6,701

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

4. Investment income

	Permanent funds 2021 £	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Rent receivable	-	-	135,513	135,513	131,792
Investment income	-	2,661	422,821	425,482	294,984
Total investment income	-	2,661	558,334	560,995	426,776

5. Income from charitable activities

	Permanent funds 2021 £	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Recoveries from Brothers	-	-	155,164	155,164	160,931
Primary purpose trade	-	-	50,856	50,856	6,639
Ancillary trade	-	-	45,388	45,388	3,662
	-	-	251,408	251,408	171,232

6. Costs of generating voluntary income

	Permanent funds 2021 £	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Expenses of public visiting	-	-	3,664	3,664	2,564
Costs of goods sold	-	-	5,225	5,225	3,437
	-	-	8,889	8,889	6,001

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

7. Investment management costs

	Permanent funds 2021 £	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Investment property repairs	-	-	17,545	17,545	13,233
Investment property management fees (a)	8,435	-	14,873	23,308	23,242
Support costs (note 11)	-	-	9,499	9,499	9,010
	8,435	-	41,917	50,352	45,485

(a) Investment property management fees charged to permanent funds relate to the exploration of the development potential of some of the Hospital's land holdings.

8. Analysis of expenditure on charitable activities

	Permanent funds 2021 £	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Upkeep of historic buildings	-	26,398	281,265	307,663	330,808
Brothers' welfare	-	1,615	202,418	204,033	199,640
Public visiting and advertising expenses	-	-	55,626	55,626	49,827
Volunteer expenses	-	-	-	-	1,000
Costs of goods sold	-	-	9,104	9,104	1,746
Professional fees	-	-	-	-	-
Bad Debts	-	-	15,600	15,600	-
Depreciation	-	-	35,306	35,306	34,397
Governance costs (note 10)	-	-	70,405	70,405	68,483
	-	28,013	669,724	697,737	685,901

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

9. Analysis of expenditure on charitable activities by activities

	Direct costs 2021 £	Support costs 2021 £	Total funds 2021 £	Total funds 2020 £
Upkeep of historic buildings	288,649	19,014	307,663	330,808
Brothers' welfare	172,327	31,706	204,033	199,640
Public visiting and advertising expenses	27,826	27,800	55,626	49,827
Volunteer expenses	-	-	-	1,000
Costs of goods sold	9,104	-	9,104	1,746
Professional fees	-	-	-	-
Bad Debts	15,600	-	15,600	-
Depreciation	35,306	-	35,306	34,397
Governance costs (note 10)	15,358	55,047	70,405	68,483
	564,170	133,567	697,737	685,901

10. Governance costs

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Audit fees	-	11,740	11,740	13,590
Other professional fees	-	3,618	3,618	2,193
Support costs (note 11)	-	55,047	55,047	52,700
	-	70,405	70,405	68,483

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

11. Allocation of support costs and overheads

	Investment property management (Note 7) £	Charitable activities (Note 9) £	Governance (Note 10) £	Total £
2021				
Clerical Salaries	9,499	69,559	49,075	128,133
Office costs	-	8,961	5,972	14,933
	9,499	78,520	55,047	143,066
2020				
Clerical Salaries	9,010	66,883	47,062	122,955
Office costs	-	8,458	5,638	14,096
	9,010	75,341	52,700	137,051

12. Staff costs

Staff costs were as follows:

	2021 £	2020 £
Wages and salaries	284,559	284,418
Social security costs	22,043	22,586
Pension costs	24,643	14,802
	331,245	321,806

The average number of employees during the year was 19 (2020: 19). The full time equivalent of these was 11 (2020: 11).

No employee received emoluments of more than £60,000 (2020: nil).

Pension costs in the year were £24,643 (2020: £14,802). The costs in 2021 were augmented by a one-off payment of £10,647 to correct a shortfall in employer's contributions in previous years.

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

13. Pension costs

The Hospital participates in the Pension Builder Scheme section of the Church Workers Pension Fund (CWPF) for lay staff. The Scheme is administered by the Church of England Pensions Board (the Board), which holds the assets of the schemes separately from those of the Employer and the other participating employers.

Pension Builder Classic (PB Classic) provides a pension for members for payment from retirement, accumulated from contributions paid and converted into a deferred annuity during employment based on terms set and reviewed by the Board from time to time. Discretionary increases may also be added, depending on investment returns and other factors.

Pension Builder 2014 (PB14) is a cash balance scheme that provides a lump sum which members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. Discretionary bonuses may be added before retirement, depending on investment returns and other factors. The account, plus any bonuses declared, is payable, unreduced, from age 65.

There is no sub-division of assets between employers in either section of the Pension Builder Scheme.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the Statement of Financial Activities in the year are the contributions payable (2021: £24,643, 2020: £14,802). Contributions outstanding at the year-end were £10,797 (2020: £nil).

A valuation of the Pension Builder Scheme is carried out once every three years. The most recent was carried out as at 31 December 2019, and was finalised in March 2021. The next valuation is due as at 31 December 2022.

For the PB Classic section, the valuation revealed a deficit of £4.8m on the ongoing assumptions used. The pension scheme administrators have estimated that the Hospital's share of the liabilities of the scheme is of the order of 0.2% of the total, which is less than £10,000. At the most recent annual review, the Board chose to grant a discretionary bonus of 3% following improvements in the funding position over 2021. There is currently no requirement for deficit payments to be made.

For the PB14 section, the valuation revealed a surplus of £5.5m on the ongoing assumptions used. There is currently no requirement for deficit payments to be made.

The legal structure of the scheme is such that if another employer fails, the Hospital could become responsible for paying a share of that employer's pension liabilities.

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

14. Net gains on investment assets

	Permanent funds 2021 £	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Unrealised gains/(losses) on revaluation of investment properties	295,000	-	-	295,000	240,000
Realised gains/(losses) on investments	-	-	-	-	(252,189)
Unrealised gains/(losses) on investments	1,511,344	77,041	271,829	1,860,214	665,509
	1,806,344	77,041	271,829	2,155,214	653,320

15. Gross transfers between funds

	Permanent funds £	Restricted funds £	Unrestricted funds £
Appropriations to permanent and restricted funds	10,308	1,625	(11,933)
	10,308	1,625	(11,933)

Appropriations to permanent funds represent the annual contributions made to recoupment orders of the Charity Commission. Appropriations to restricted funds represent the annual contribution to the Extraordinary Repair Fund and are offset by a transfer from restricted funds due to funds being de-restricted following the conditions of the restriction being met.

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

16. Tangible fixed assets

	Fixtures, fittings & plant £	Total £
Cost or valuation		
At 1 January 2021	529,598	529,598
Additions	11,615	11,615
On revaluations	-	-
	541,213	541,213
Depreciation		
At 1 January 2021	78,593	78,593
Charge for the year	35,306	35,306
	113,899	113,899
Net book value		
At 31 December 2021	427,314	427,314
At 31 December 2020	451,005	451,005

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

17. Fixed asset investment properties

	Investment properties <i>Hospital</i> £	Investment properties <i>Noble Poverty</i> £	Total £
Cost or valuation			
At 1 January 2021	4,892,000	929,000	5,821,000
Additions	-	-	-
Disposals	-	-	-
On revaluations	244,000	51,000	295,000
At 31 December 2021	5,136,000	980,000	6,116,000
Net book value			
At 31 December 2021	5,136,000	980,000	6,116,000
At 31 December 2020	4,892,000	929,000	5,821,000

Investment properties

The investment properties were professionally revalued as at 31 December 2018 at open market value and the values were reviewed and adjusted as at 31 December 2021 in line with indexed growth in the residential property market.

Heritage assets

The heritage assets are the property of the Hospital of St Cross Foundation and Almshouse of Noble Poverty Foundation jointly and comprise 25 Almshouses, the Church of St Cross, hall, gatehouse and ancillary buildings, and St Faith's Churchyard. The conservation of these buildings is one of the Hospital's primary objectives. The buildings were constructed in earlier centuries and their original cost has long since been written off and are therefore held at £nil net book value. No significant building unit has been added during the past sixty years.

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

18. Fixed asset investments

	Permanent funds £	Restricted funds £	Unrestricted funds £	Total funds £
CCLA Funds at market value				
At 1 January 2021	11,960,468	452,308	1,896,520	14,309,296
Recoupments	10,308	1,625	-	11,933
Additions	-	-	-	-
Disposals	-	-	-	-
Transfers Between Funds	(8,435)	-	8,435	-
Transfers to Cash	-	-	(837)	(837)
Change in market value	1,511,344	77,041	271,829	1,860,214
At 31 December 2021	13,473,685	530,974	2,175,947	16,180,606

19. Stocks

	2021 £	2020
Goods for resale	11,145	-
	11,145	-

20. Debtors

	2021 £	2020
Trade debtors	8,520	6,968
Other debtors	3,178	494
Prepayments and accrued income	2,059	2,042
	13,757	9,504

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

21. Creditors

	2021 £	2020 £
Trade creditors	54,220	62,317
Taxation and social security	5,163	5,567
Other creditors	1,402	18,876
Accruals and deferred income	66,343	36,339
	<hr/>	<hr/>
	127,128	123,099
	<hr/>	<hr/>

Deferred income relates to deposits paid for future events/weddings; the balance held at the end of the year was £5,294 (2020: £7,905).

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

22. Permanent endowment funds

	At 1 Jan 2021 £	Movement for the year £	At 31 Dec 2021 £
Hospital of St Cross Foundation	16,003,853	1,623,952	17,627,805
Almshouse of Noble Poverty Foundation	1,454,664	125,482	1,580,146
	17,458,517	1,749,434	19,207,951
91, 93, 95 St Cross Road recoupment fund (a)	114,585	18,373	132,958
Porter's Lodge recoupment fund (b)	60,525	10,722	71,247
Brothers' flats recoupment fund (c)	147,841	29,688	177,529
	322,951	58,783	381,734
	17,781,468	1,808,217	19,589,685

Movements on recoupment funds include the required annual contribution together with unrealised gains and losses on the funds invested.

- a) Recoupment of expenditure on No's 91, 93 and 95 St Cross Road (established in 1991: annual contributions of £2,083 to be made for 60 years). Income can be used for the purposes of the Hospital.
- b) Recoupment of expenditure on the Porter's Lodge (established in 2003: annual contributions of £2,100 to be made for 40 years). Income can be used for the purposes of the Hospital.
- c) Recoupment of expenditure refurbishing the Brothers' flats (in 2006 the Charity Commission authorised a withdrawal of up to £400,000 with annual contributions to be made over 40 years). As at 31 December 2021 £245,000 had been withdrawn (annual contribution £6,125). Income can be used for the purposes of the Hospital.

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

23. Restricted funds

	At 1 Jan 2021 £	Movement for the year £	At 31 Dec 2021 £
Extraordinary repair funds (a)	398,717	71,032	469,749
John Hatton fund (b)	66,982	9,973	76,955
Brothers' welfare fund (c)	4,269	26	4,295
Friends grant fund (d)	15,839	(8,696)	7,143
	485,807	72,335	558,142

- a) Exceptional repairs to property (Scheme of 5 November 1984, clause 46: annual contributions of not less than £1,625).
- b) To provide for the Hospital's general purposes for the benefit and advancement of the social life of the Brothers.
- c) To provide for the welfare of the Brothers through donations given through collection boxes. Donations totalling £866 were received in the year and £840 disbursed.
- d) To provide for specified repairs to the Hospital. Grants totalling £17,000 were received in the year and £25,696 expended.

24. Unrestricted funds

	At 1 Jan 2021 £	Movement for the year £	At 31 Dec 2021 £
Designated funds:			
Commander J S Baker Bequest	491,512	69,682	561,194
Miss G M Bauer Bequest	167,904	26,545	194,449
Refurbishment Reserve	-	100,000	100,000
	659,416	196,227	855,643
General fund	1,628,897	250,891	1,879,788
	2,288,313	447,118	2,735,431

Within the General Fund an amount of £100,000 (2020: nil) is held in a refurbishment reserve for the purpose of refurbishing the Brothers' flats.

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

25. Analysis of net assets between funds

	Permanent funds 2021 £	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Tangible fixed assets	-	-	427,314	427,314	451,005
Fixed asset investment properties	6,116,000	-	-	6,116,000	5,821,000
Fixed asset investments	13,473,685	530,974	2,175,947	16,180,606	14,309,296
Current assets	-	27,168	259,298	286,466	97,386
Creditors due within one year	-	-	(127,128)	(127,128)	(123,099)
	19,589,685	558,142	2,735,431	22,883,258	20,555,588

Analysis of net assets between funds (prior year comparative)

	Permanent funds 2020 £	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Tangible fixed assets	-	-	451,005	451,005	471,760
Fixed asset investment properties	5,821,000	-	-	5,821,000	9,831,000
Fixed asset investments	11,960,468	452,308	1,896,520	14,309,296	9,683,207
Current assets	-	33,499	63,887	97,386	85,430
Creditors due within one year	-	-	(123,099)	(123,099)	(89,780)
	17,781,468	485,807	2,288,313	20,555,588	19,981,617

26. Analysis of changes in net cash

	At 1 Jan 2021 £	Cash flow £	At 31 Dec 2021 £
Cash at bank and in hand	24,158	210,184	234,342
Cash held with investment manager	63,724	(36,502)	27,222
Net Cash	87,882	173,682	261,564

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

27. Financial instruments

	2021 £	2020 £
Basic financial assets	16,465,013	14,404,640
Basic financial liabilities	(121,965)	(117,532)

Basic financial assets are all investments (excluding investment properties), debtors plus cash in hand minus prepayments.

Basic financial liabilities are all creditors due in less than one year plus creditors due in more than one year minus taxation payable.

The entity's income, expense, gains and losses in respect of financial instruments are summarised below:-

	2021 £	2020 £
Total dividend and interest income for basic financial assets	425,482	294,984
Total (losses)/gains in respect of basic financial assets	1,860,214	665,510

28. Financial Commitments

Non-cancellable operating lease rentals receivable

	2021 £	2020 £
Less than one year	34,489	49,795
After one year and less than five years	563	13,219
	<hr/> 35,052	<hr/> 63,014

The lease rentals receivable relates to rent income receivable from the Hospital's investment properties. The amounts receivable are limited to the next rent review date for agricultural properties or the earlier of the lease end date or break clause for other properties.

29. Commitments and contingencies

There were no material commitments at 31 December 2021 or 31 December 2020.

There were no contingent liabilities at 31 December 2021 or 31 December 2020.

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

30. Related party transactions and Trustees' expenses and remuneration

No Trustee received any remuneration or reimbursement of expenses from the Hospital during the year.

Mrs Felicity Pennycook, Mr Jonathan Cooke and Mr Robin Chute are also Trustees of the Friends of St Cross Hospital Winchester. The Friends made a grant of £17,000 (2020: £25,000) to the Hospital during the year.

Key management personnel received total remuneration of £nil during the year (2020: £nil).

During the year, total donations by the trustees to the charity amounted to £nil (2020: £245).

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

31. Additional prior year comparatives – statement of financial activities

	Note	Permanent funds 2020 £	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income from:						
Donations, grants and legacies	2	-	25,404	27,925	53,329	85,584
Fundraising activities	3	-	-	6,701	6,701	28,463
Investment income	4	-	2,742	424,034	426,776	436,910
Charitable activities	5	-	-	171,232	171,232	302,719
Total income		-	28,146	629,892	658,038	853,676
Expenditure on:						
<i>Raising funds:</i>						
Costs of generating voluntary income	6	-	-	6,001	6,001	15,610
Investment management costs	7	16,475	-	29,010	45,485	62,326
Charitable activities	8	-	11,599	674,302	685,901	691,805
Total expenditure		16,475	11,599	709,313	737,387	769,741
Net incoming (outgoing) resources before investment gains		(16,475)	16,547	(79,421)	(79,349)	83,935
Net gains (losses) on investments	14	495,939	32,626	124,755	653,320	1,267,466
Net income before transfers		479,464	49,173	45,334	573,971	1,351,401
Transfers between funds	15	10,308	1,625	(11,933)	-	-
Net movement in funds		489,772	50,798	33,401	573,971	1,351,401
Total funds at 1 January 2020		17,291,696	435,009	2,254,912	19,981,617	18,630,216
Total funds at 31 December 2020		17,781,468	485,807	2,288,313	20,555,588	19,981,617

HOSPITAL OF ST CROSS AND ALMSHOUSE OF NOBLE POVERTY

England & Wales - Charity number 202751

Accounts

Charity number: 202751

The Hospital of St Cross and Almshouse of Noble Poverty

**Trustees' report and
Financial statements**

For the year ended 31 December 2020

The Hospital of St Cross and Almshouse of Noble Poverty

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The Hospital of St Cross and Almshouse of Noble Poverty

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS

FOR THE YEAR ENDED 31 DECEMBER 2020

Charity registered number

202751

Registered office

Hospital of St Cross, St Cross Road, Winchester, SO23 9SD

Co-optative Trustees

Mr Jonathan Cooke (Chairman – from October 2020)

Mr William Corbett (Chairman – from January 2020 until October 2020)

Dr David Firebrace (Chairman – retired January 2020)

Mr Christopher Anderson

Mrs Rosemary Andrae

Mrs Gill Beck (PCC)

Mr Christopher Higgins

Mr Michael Killingley FCA (appointed April 2020)

Mrs Felicity Pennycook ACA (appointed April 2020) (Honorary Treasurer – from December 2020)

Mrs Katherine Wake

Mrs Susan Woodward ACA (Honorary Treasurer - retired December 2020)

Dr Tim Foster (appointed December 2020)

Nominative Trustees

Mr Robin Chute (Winchester College)

Cllr Fiona Mather (Winchester City Council)

Ex-officio Trustees

The Master of St Cross: The Reverend Reg Sweet (retired January 2020), The Reverend Terry Hemming (appointed March 2020)

The Dean of Winchester: The Very Rev Catherine Ogle

The Right Worshipful Mayor of Winchester: Cllr Eleanor Bell (2019/2020), Cllr Patrick Cunningham (2020/2021), Cllr Vivian Achwal (2021/2022)

Clerk to the Trustees

Mrs Catriona Morley

Bankers

National Westminster Bank plc, 105 High Street, Winchester, SO23 9AW

Solicitors

Godwins, 12 St Thomas Street, Winchester, SO23 9HF

Investment Managers

CCLA Investment Management Ltd, Senator House, 85 Queen Victoria Street, London, EC4V 4ET

Property advisors

Carter Jonas, 9a Jewry Street, Winchester, SO23 8RZ

Auditor

Crowe U.K. LLP, Aquis House, 49-51 Blagrove Street, Reading, RG1 1PL

The Hospital of St Cross and Almshouse of Noble Poverty

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

Objects, aims, objectives and principal activities

The Trustees' first responsibility for application of income, as set out in the Hospital's Scheme of Management, is to defray out of the income of the Hospital the cost of maintaining the property and all other costs payable in respect of the property and all the proper costs of administration and management of the Hospital. Subject to the payments aforesaid, the Trustees shall apply the income of the Hospital for the benefit of the Brothers in such manner as the Trustees think fit.

The Hospital's principal activity continues to be the provision of a living community which offers a home and haven to elderly gentlemen on the premises of "England's oldest and most perfect Almshouse" and to provide a welcome to all who wish to visit the Hospital and enjoy its surroundings.

Aims

The aims of the Hospital, originally founded around 1132, are to maintain the property, care for the Brothers, welcome visitors and continue the worship at the Church of St Cross for the Brothers and, for the past 500 years, the parishioners of St Faith.

Review of achievements and performance for the year

COVID-19

Sadly one of the aims set out above, to welcome visitors, has not been capable of fulfilment for most of the year under review, as the Trustees' overriding responsibility is to protect the health and welfare of the Brothers and staff. The Hospital closed to visitors in March 2020 because of the restrictions necessarily imposed under the Government's COVID-19 regulations; in May 2021 visitors were allowed back into the gardens, and to the Hundred Men's Hall, albeit at tables outside, and by July it is expected that all restrictions on visitors will be lifted. The Trustees hope that the incidence of the disease will continue to diminish, so that it does not become necessary to impose further restrictions in the future.

The closure has significantly reduced the Hospital's income, as discussed more fully in the financial review below.

Heritage Profile

The closure of the Hospital to visitors may well have been the first such occasion in a very long time and, as such, will be recorded as an historic event. One positive result of this devastating time was that the Brothers were left to enjoy the beautiful, peaceful environment of St Cross all to themselves for many months. Maintenance of the grounds continued throughout the closure and with the cancellation of events and little pressure from visitors the gardens looked immaculate throughout the year. There were also notable benefits to wildlife, with an increase in birds nesting on site.

Review of charitable activities

Buildings conservation

Despite the unbudgeted reduction in income, the planned repair programme for 2020 was largely unaffected. During the year the Chaplain's Lodge was refurbished, at a cost of £64,000; a programme of essential work to renew the plumbing to the Brothers' flats was started, with £50,000 expended during 2020, and an estimated additional £40,000 to be incurred in 2021.

The refurbishment of the medieval Hundred Men's Hall was completed over the winter of 2020/21, largely funded by a generous grant of £25,000 by the Friends of St. Cross Hospital.

The Hospital of St Cross and Almshouse of Noble Poverty

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

Welfare and visitors

The Trustees were pleased to welcome one new Brother to St Cross in March 2020, shortly before the COVID-19 pandemic closed the Hospital. Sadly one Brother died in December, and a second, who had recently left the Hospital for a nursing home, in February 2021. The Hospital currently has several vacancies, and is seeking new applications, but recruitment has been hampered by the pandemic.

The Hospital had fewer than 600 paying visitors in 2020, compared with 8,000 in 2019 and, from 18 March, all events, including weddings, were postponed or cancelled.

Friends of St Cross Hospital

The Friends of St. Cross has about 700 individual members. In normal circumstances the Friends provide a wide range of educational and fund-raising activities both within and outside the premises of the Hospital, but these have been curtailed since the outbreak of the pandemic. In the meantime the Friends have been able to offer members some lectures over Zoom.

In the spring of 2020, as reported above, the Friends donated £25,000 to the Hospital to fund the redecoration and refurbishment of the medieval Hundred Men's Hall, which is used as a café in the spring and summer months. This work has been undertaken over the winter of 2020/21; the Trustees are delighted with the refurbishment and, as noted above, the Hundred Men's Hall has now reopened to visitors.

Financial review

Financial activities

The Hospital suffered a deficit before investment gains in 2020 of £79,000 (2019: surplus: £84,000), primarily because of the substantial shortfall in incoming resources compared with budget.

This shortfall was 23%, with income reduced to £658,000 (2019: £854,000), almost entirely because of the loss of visitor income during the COVID-19 pandemic.

The Hospital was fortunate that investment income was not significantly affected; CCLA, the Hospital's investment managers, have an investment strategy heavily biased towards international, rather than UK, assets; many UK listed companies suspended or reduced dividend payments in 2020 because of the uncertainty created by the pandemic.

Resources expended during the year were well controlled and fell slightly, by 4% to £737,000 (2019: £769,000).

Balance Sheet

The sale for development of land owned by the Hospital at Whitchurch was the culmination of many years' work. The sale proceeds were slightly less than the value included in the 2019 financial statements, giving rise to a paper loss of £252,000; however, the net sale proceeds of £4 million are a valuable addition to the Hospital's investment portfolio.

This has reduced the value of investment properties in the Hospital's balance sheet from £9.8 million to £5.8 million, with a corresponding increase in fixed asset investments to £14.3 million.

A strong investment performance meant that total tangible assets, net of liabilities increased in value to £20.6 million (2019: £20.0 million), despite the shortfall in incoming resources.

Cash at bank and in hand at 31 December 2020 was £88,000 (2019: £55,000).

The Hospital of St Cross and Almshouse of Noble Poverty

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

Resources and Reserves policy

Total funds at 31 December 2020 were £20.6 million. Of this £17.8 million was permanent endowment and £486,000 related to restricted funds. Within restricted funds £71,300 related to Brothers' welfare and social activities.

Unrestricted funds were £2.3 million of which £659,000 were designated funds. The balance relates to the General Fund which includes £451,000 of tangible fixed assets (mostly the new visitor toilets and boilers).

The Trustees' policy is to plan expenditure within available resources whilst retaining reserves to provide a degree of flexibility to meet the cost of major repairs. These can be significant when maintaining ancient Grade 1 listed buildings.

Investment policy

The foundation buildings and the investment properties are managed to best effect with the aid of quinquennial inspections and reports.

Monetary investments are currently held in common investment funds, where the fund managers practise socially responsible investment. The policy applicable to equity-based investments is to produce the best income compatible with longer-term capital growth and security. The policy applicable to fixed interest and variable interest-bearing investments is to aim for maximum income subject to protection of capital (such investments are made into highly rated bonds or deposits).

Auditors

Mazars LLP resigned as auditors during 2020 and Crowe U.K. LLP were appointed to replace them.

Outlook and future plans

The Hospital will continue the aims as stated above, namely the maintenance and refurbishment of the fabric of the church and hospital buildings, and the welfare of the Brothers. The welfare of the Brothers in these difficult times is paramount and additional procedures are in place to ensure their safety, and that of our staff.

The COVID-19 pandemic had a significant adverse effect on the Hospital's income in 2020, and this has continued into 2021. The Hospital is well funded and managed, and is thus able to withstand these shocks but, as long as there is significant uncertainty over future income, the Trustees will only commit to future plans to the extent that it is prudent to do so.

Subject to this cautionary note, the budget for 2021 includes provision for repairs to the church south transept, sacristy and roof, at an estimated cost of £120,000.

Over the coming years the Trustees also plan to carry out a comprehensive refurbishment of the Brothers' flats; planning consent has now been received. This is a major project, likely to extend over several years, and is beyond the ability of the Hospital to fund solely from its own reserves. The Trustees are therefore now considering how best to raise the funds for the refurbishment, and when and in what way the programme of refurbishment should start.

The Hospital of St Cross and Almshouse of Noble Poverty

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

Because of the COVID-19 pandemic, no further progress has been made on the Landscape Review and Masterplan, which is intended to create a historically relevant management plan for the Hospital's immediate land and grounds. During 2020 we drew up a Tree Management Strategy which covers the extent of the ash dieback and recommendations for other tree works. We have also held discussions with Hampshire and Isle of Wight Wildlife Trust (HIWWT) about improving the habitat in the water meadows and the park to help the plight of the Southern Damselfly, but no work will take place any earlier than Autumn 2021.

Public benefit and the relief of poverty

The two foundations of the Hospital of St Cross (established 1132) and the Almshouse of Noble Poverty (established 1455) were founded to provide relief for the poor and needy, through the provision of accommodation and sustenance. The Trustees of the (now combined) foundations are, in addition, fully committed to the maintenance in their original style of the Hospital's unique set of grade-one-listed medieval buildings and have in place a continuing programme of repair and improvement.

The Hospital is at the heart of the local community. As an historic almshouse, it provides accommodation for twenty-five elderly men. The visiting public are welcome for 363 days in the year to visit the ancient buildings, walk in the gardens, request the Wayfarer's Dole and take refreshment provided by the Hospital volunteers in the medieval tearoom.

The Hospital's website is being continuously developed and improved to provide interesting and useful information for the local community, visitors and prospective Brothers. A new page about the historic graffiti survey has been added and work is ongoing to produce a page about the various archaeological digs which have taken place over the years. The Hospital explores ways in which it can help with environmental issues and has expanded the directions page on the website to include information on all the options available to visitors to travel to the site, including public transport. During the pandemic the Hospital's social media platforms have been regularly updated to keep the public informed about how the Hospital's Brothers and staff have been coping with the lockdowns, to provide guidance on opening times and to publish messages of thanks to all the local volunteers who have helped throughout the lockdowns.

The areas of public benefit set out in the following paragraphs remain central to the role of the Hospital in the community, albeit that so many of these activities were curtailed or cancelled in 2020 and the first part of 2021 because of the COVID-19 restrictions.

- The Hospital enjoys an excellent association with the Parish of St Faith, who have worshipped at St Cross since 1507 when their own church fell into disrepair. The Parish regard St Cross Church as their principal place of worship with a typical Sunday attendance of well over 100 worshippers. They do much to assist in the upkeep of the church. In addition the Parish hold the annual local fete, which is enjoyed by up to 2000 people, in the grounds of the Hospital.
- The church and other buildings within the Hospital are in regular use by the Friends and other local groups for worship, concerts, educational purposes and events. There is a very strong musical tradition which continues to flourish with a very fine church organ and an active church choir. The church is in high demand for concerts and musical performances.
- The Brothers' Library is equipped to provide a flexible education room. School parties can visit to learn about the Hospital using a carefully-designed activity programme which is based on the current Key Stage 2 school curriculum. These school visits are managed in conjunction with HIWWT. HIWWT conduct educational wildlife tours of the Water Meadows which were followed by a visit to the Hospital. Local schools and a higher education college use the church and medieval halls for services and degree ceremonies.

The Hospital of St Cross and Almshouse of Noble Poverty

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

- Outside the main site, the Hospital provides several other significant facilities which help to nurture a strong sense of local community. These include the provision of the Parish Hall and 80 traditional allotments in a beautiful setting by the river. The Parish Hall is in constant community use for the local pre-school nursery, Girl Guides, Brownies and other local activities such as yoga and dance classes.
- The meadows which surround the Hospital provide a peaceful setting in which the public are able to walk and relax free of charge. The meadow is let to and managed by HIWWT as part of their programme of countryside management and public education. Beyond the meadow, the Hospital lets its land to the local St Cross Cricket Club where regular matches are held for both adult and youth cricket.
- The Hospital records since its original foundation are documents of considerable historical interest and importance. To reduce the risk of their loss or destruction, the records are held and preserved by the Hampshire Record Office and are available for public view within certain limitations to protect individual privacy. Plans are in place to continue adding to the archives.

Structure, governance and management

Governing document

The Hospital of St Cross (the Hospital) is a registered charity whose objects are set out in the Charity Commission Scheme dated 5 November 1984, as varied by the Scheme of 14 March 1990, an Order of 1 November 2006, a Memorandum of 5 September 2006 and Resolutions of 23 June 2009 and 20 March 2012. There are two foundations, the Hospital of St Cross and the Almshouse of Noble Poverty. The Hospital's property and assets are owned by the two foundations as the Corporation of the Master and Brethren [Brothers] of the House or Hospital of St Cross and the Trustees administer it on behalf of the Corporation.

Trustees

The names of the Trustees who served during the year and to the date of this report are shown on page 1. Co-optative Trustees are appointed by the Trustees and serve for five years. One nominative Trustee is appointed by Winchester City Council and serves (while in office as Councillor) for four years. The other nominative Trustee is appointed by the Warden of Winchester College. The Trustees meet quarterly and have appointed committees covering finance, property, risk management, visitors and welfare. Each Trustee usually sits on two committees.

In January 2020, the Rev. Reg Sweet retired after twenty years service to the Hospital, eight years as Master, following twelve years as Chaplain. He was succeeded in March 2020 by the Rev. Terry Hemming.

Trustee recruitment

Co-optative Trustees are recruited after a thorough selection and interview process which ensures that a balance of relevant skills is maintained across the Board.

Trustee training

Each Trustee, upon appointment, receives a Trustee's welcome and induction pack, indicating the range of their responsibilities; in addition some of the Trustees attend annual seminars on accounting for charities and recent charity legislation and practice. All Trustees also receive copies of the magazine, Governance, which provides essential information for effective Trustees.

The Hospital of St Cross and Almshouse of Noble Poverty

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

Organisational management

Under the current Charity Commission Scheme of Management (revised 2012), responsibility for the management and control of the Hospital and the Brethren rests with the Trustees. The day-to-day running of the Hospital, the maintenance of the premises and management of the employees is delegated to the Clerk to the Trustees, under the general superintendence of the Trustees. The Master of St Cross (himself a Trustee) is charged with the pastoral welfare of the Brethren.

Brothers' accommodation is kept to a high standard and advertised regularly to ensure that any vacancy is filled quickly and appropriately.

Risk management

The Trustees have examined the principal areas of the Hospital's operations and considered the major risks faced in each of these areas.

The Risk Management Committee biannually establishes, assesses and categorises all risks. In the opinion of the Trustees, the Hospital has established resources and review systems which allow these risks to be mitigated to an acceptable level in day-to-day operations.

During the COVID pandemic, a standing committee of trustees has met weekly online to review the latest guidance and information to enable it to take whatever action is necessary to keep the Brothers and staff safe.

Maintenance of income streams is vital in order to continue to meet the Hospital's objects. Reserves are invested in a mix of investment properties and stock market investment funds in order to spread risk whilst producing a regular income stream. Trustees work together with the Investment Manager and Property Adviser to ensure that an appropriate asset allocation is maintained.

The repair and safeguarding of Grade 1 listed medieval buildings is costly and good maintenance is an important part of this. All Heritage buildings are subject to quinquennial inspection and there is a continual programme of repair and improvement. Regular insurance reviews are carried out.

Annual fire risk assessments are carried out and the Hospital works closely with the local Fire Service to ensure quick and effective access in the event of an emergency. The Hospital is also compliant with the latest Health and Safety Management System backed by regular internal and external audits.

It is hoped that the easing of restrictions in 2021 will facilitate a return to work on the list of building improvements which will further improve the accessibility and safe enjoyment of the Hospital site.

The Hospital of St Cross and Almshouse of Noble Poverty

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

Trustees' responsibilities for the financial statements

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

The law applicable to charities in England and Wales 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 resource of the charity for that period. In preparing these 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 accounting estimates that are reasonable and prudent;
- State whether applicable UK 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 operation.

The Trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legalisation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and 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.

The report was approved by the Trustees at their meeting on 22 June 2021 and signed on their behalf by:



Jonathan Cooke – Chairman

The Hospital of St Cross and Almshouse of Noble Poverty

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE HOSPITAL OF ST CROSS
AND ALMSHOUSE OF NOBLE POVERTY

FOR THE YEAR ENDED 31 DECEMBER 2020

Opinion

We have audited the financial statements of The Hospital of St Cross and Almshouse of Noble Poverty ('the charity') for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2020 and of 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 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 Auditor's 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 contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report 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.

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.

The Hospital of St Cross and Almshouse of Noble Poverty

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE HOSPITAL OF ST CROSS
AND ALMSHOUSE OF NOBLE POVERTY

FOR THE YEAR ENDED 31 DECEMBER 2020

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient and proper accounting records have not been kept by the charity; 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.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 8, the trustees 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 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.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor 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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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 auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charity operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

The Hospital of St Cross and Almshouse of Noble Poverty

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE HOSPITAL OF ST CROSS
AND ALMSHOUSE OF NOBLE POVERTY

FOR THE YEAR ENDED 31 DECEMBER 2020

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity for fraud. The laws and regulations we considered in this context were Charity Commission regulations and taxation legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the recognition of income, judgements involved in the valuation of investment property and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Finance Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases including assumptions used to establish the year end investment property value, sample testing of income documentation and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Crowe U.K. LLP
Statutory Auditor

Reading
17 August 2021

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

The Hospital of St Cross and Almshouse of Noble Poverty

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	Permanent funds 2020 £	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income from:						
Donations, grants and legacies	2	-	25,404	27,925	53,329	85,584
Activities for generating funds	3	-	-	6,701	6,701	28,463
Investment income	4	-	2,742	424,034	426,776	436,910
Charitable activities	5	-	-	171,232	171,232	302,719
Total income		-	28,146	629,892	658,038	853,676
Expenditure on:						
<i>Raising funds:</i>						
Costs of generating voluntary income	6	-	-	6,001	6,001	15,610
Investment management costs	7	16,475	-	29,010	45,485	62,326
Charitable activities	8	-	11,599	674,302	685,901	691,805
Total expenditure		16,475	11,599	709,313	737,387	769,741
Net incoming (outgoing) resources before investment gains		(16,475)	16,547	(79,421)	(79,349)	83,935
Net gains (losses) on investments	14	495,939	32,626	124,755	653,320	1,267,466
Net income before transfers		479,464	49,173	45,334	573,971	1,351,401
Transfers between funds	15	10,308	1,625	(11,933)	-	-
Net movement in funds		489,772	50,798	33,401	573,971	1,351,401
Reconciliation of funds:						
Total funds at 1 January 2020		17,291,696	435,009	2,254,912	19,981,617	18,630,216
Total funds at 31 December 2020		17,781,468	485,807	2,288,313	20,555,588	19,981,617

The Hospital of St Cross and Almshouse of Noble Poverty

BALANCE SHEET

FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	£	2020 £	£	2019 £
Fixed assets					
Tangible assets	16		451,005		471,760
Investment Properties	17		5,821,000		9,831,000
Investments	18		14,309,296		9,683,207
			20,581,301		19,985,967
Current assets					
Debtors	19	9,504		30,894	
Cash at bank and in hand		87,882		54,536	
		97,386		85,430	
Creditors: amounts falling due within one year	20	(123,099)		(89,780)	
Net current (liabilities)/assets			(25,713)		(4,350)
Net assets			20,555,588		19,981,617
Charity funds					
Permanent funds	21		17,781,468		17,291,696
Restricted funds	22		485,807		435,009
Unrestricted funds	23		2,288,313		2,254,912
Total funds			20,555,588		19,981,617

The financial statements were approved by the Trustees at their meeting on 22 June 2021 and signed on their behalf, by:


Jonathan Cooke – Chairman


Felicity Pennycook – Honorary Treasurer

The notes on pages 15 to 34 form part of these financial statements.

The Hospital of St Cross and Almshouse of Noble Poverty

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net income (outgoings) for the year (as per Statement of Financial Activities)		(79,349)	83,935
Adjustment for:			
Dividends, interest and rents from investments		(426,776)	(436,910)
Decrease in debtors		21,390	7,115
(Decrease) in creditors		33,318	(33,523)
Depreciation of tangible fixed assets		34,397	22,098
Net cash provided by operating activities		(417,020)	(357,285)
Cash flows from investing activities			
Purchase of fixed asset investments		(4,010,579)	(34,433)
Transfers to cash from investments		50,000	-
Purchase of tangible fixed assets		(13,642)	(184,484)
Disposal of tangible fixed assets		3,997,811	-
Dividends, interest and rents receivable		426,776	436,910
Net cash used in investing activities		450,366	217,993
Change in cash and cash equivalents in the year	25	33,346	(139,292)
Cash and cash equivalents brought forward		54,536	193,828
Cash and cash equivalents carried forward		87,882	54,536

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1. Accounting Policies and Key Judgements

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with 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 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The Hospital of St Cross and Almshouse of Noble Poverty meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 Going concern

The Trustees consider that there are no material uncertainties about the Hospital's ability to continue as a going concern. The most significant areas of uncertainty that affect the carrying value of assets held by the Hospital are the level of investment return and the performance of investment markets, which have recently been impacted by COVID-19 (see the investment policy and risk management sections of the Trustees' annual report for more information). Cash resources over the next year will be stretched and some of the unrestricted investment portfolio may need to be liquidated in order to deal with this.

1.3 Tangible assets

Heritage assets

The freehold properties described in Note 17 on page 27 are not included in the balance sheet at a monetary value as neither their costs, which have been fully written off, nor their market values are available. Significant improvements to the fitting out of heritage assets are capitalised where appropriate as fixtures and fittings.

Fixtures, fittings and plant

Individual assets costing more than £5,000 are capitalised and included at cost, including any incidental costs of acquisition.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Fixtures & Fittings	- 15 years straight line
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The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1. Accounting Policies and Key Judgements

Investment properties

Investment properties are included in the balance sheet at their open market values by a professional revaluation every five years and by the Trustees in the intervening years. The surplus or deficit on revaluation of individual properties is transferred to the permanent endowment fund via the Statement of Financial Activities. Depreciation is not provided in respect of freehold investment properties, in accordance with Section 16: Investment Property of FRS 102.

1.4 Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on the revaluation and disposals throughout the year.

The Hospital does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the Hospital is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

1.5 Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

1.6 Stocks

The cost of publications and souvenirs for public sale is charged to revenue in the year in which the cost is incurred. No adjustment is made in the accounts to reflect quantities remaining on hand at the balance sheet date. The Trustees consider that this policy does not represent a material departure from Section 13: Inventories of FRS 102.

1.7 Contingent liabilities

A contingent liability is identified and disclosed resulting from a possible obligation which will only be confirmed by the occurrence of one or more uncertain future events not wholly within the Trustees' control, a present obligation where settlement is either not considered probable, or the amount has not been communicated and that amount cannot be estimated reliably.

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1. Accounting Policies and Key Judgements

1.8 Incoming resources

All incoming resources are recognised once the Hospital has entitlement to the resources, it is probable that the resources will be received and the monetary value of incoming resources can be measured with sufficient reliability.

“Incoming resources from generated funds” include donations, legacies, grants, investment income and sales to visitors and other external users of the Hospital’s facilities.

“Incoming resources from charitable activities” derive from the Hospital’s pursuit of its charitable objects.

Donations (including Gift Aid recoveries) are recognised when the Hospital has been notified in writing of both the amount and settlement date, or when they are received. In the event that a donation is subject to conditions that require a level of performance before the Hospital is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Hospital and it is probable that those conditions will be fulfilled in the reporting period.

Legacies are accounted for on a receivable basis. Pecuniary legacies are recognised following formal notification from the estate. Residuary legacies are recognised only when the Hospital’s interest can be measured, which is normally on grant of probate.

Grants receivable in respect of expenditure incurred during the year are brought into account provided they have been approved for payment at the year end.

Dividends and interest, bank deposit account interest, and rents receivable are brought into account on a receivable basis.

Income from public visiting and similar activities is recognised when received.

1.9 Resources expended

Liabilities are recognised as soon as there is a legal or constructive obligation committing the Hospital to the expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. The Hospital is not registered for VAT and accordingly expenditure is shown inclusive of VAT.

“Costs of generating funds” comprise costs of attracting voluntary income, costs of goods sold for fund raising purposes, and costs of managing the investment properties.

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1. Accounting Policies and Key Judgements

“Charitable activities” comprise costs to maintain the charitable property and to provide accommodation and welfare for the Brothers.

Support costs, comprising salaries and office costs, have been allocated to the activity cost categories based on an estimate of the time spent.

1.10 Pension schemes

For eligible salaried employees the Hospital participates in the Church of England Pension Builder Classic scheme within the Church Workers Pension Fund (CWPF), a deferred annuity scheme which is a defined benefit scheme. The pension costs charged against the surplus or deficit for the year represent the contributions payable to the scheme in respect of the accounting period. If there were to be a large funding deficit over a prolonged period, additional contributions might become payable, although to date the CWPF has never sought any such contributions.

1.11 Funds

The Hospital's permanent endowment funds are set out in note 21 to the financial statements. They comprise the permanent endowment funds of the two constituent charities, the Hospital of St Cross Foundation and the Almshouse of Noble Poverty Foundation. The income from the investment assets of the funds is unrestricted. The Hospital also has three funds set up under Recoupment Orders issued by the Charity Commission to restore permanent endowment capital expended on major projects.

Restricted funds are funds subject to specific conditions within the objects of the Hospital and are set out in note 22 to the financial statements.

Unrestricted funds are funds where no restrictions are placed on the use by the Hospital upon either the capital or the income and comprise:

- (i) The Commander J S Baker Bequest – a designated fund
- (ii) The Miss G M Bauer Bequest – designated by the Trustees for use on arboricultural and horticultural projects
- (iii) General fund – to provide the Hospital's working capital.

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1. Accounting Policies and Key Judgements

1.12 Key Judgements

Certain reported amounts of assets and liabilities are subject to estimates and assumptions. Estimates and judgements by management are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Judgements that have the most significant effect on the amounts recognised in the financial statements and estimates that can cause a significant adjustment to the carrying amount of assets and liabilities within the next financial year include:

Investment property

The investment property valuation is reviewed annually by the Trustees. The properties are stated at fair value with changes in the fair value being recognised in the Statement of Financial Activities.

2. Income from donations, grants and legacies

	Permanent funds 2020 £	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Donations	-	404	1,841	2,245	20,834
Grants	-	25,000	26,084	51,084	34,750
Legacies	-	-	-	-	30,000
Total donations and legacies	-	25,404	27,925	53,329	85,584

3. Fundraising income

	Permanent funds 2020 £	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Events	-	-	-	-	2,010
Shop sales	-	-	6,606	6,606	15,929
Tearoom sales	-	-	95	95	10,524
Total fundraising income	-	-	6,701	6,701	28,463

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

4. Investment income

	Permanent funds 2020 £	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Rent receivable	-	-	131,792	131,792	140,504
Investment income	-	2,742	292,242	294,984	296,406
Total investment income	-	2,742	424,034	426,776	436,910

5. Income from charitable activities

	Permanent funds 2020 £	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Recoveries from Brothers	-	-	160,931	160,931	170,701
Primary purpose trade	-	-	6,639	6,639	79,291
Ancillary trade	-	-	3,662	3,662	52,727
	-	-	171,232	171,232	302,719

6. Costs of generating voluntary income

	Permanent funds 2020 £	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Expenses of public visiting	-	-	2,564	2,564	3,888
Costs of goods sold	-	-	3,437	3,437	11,722
	-	-	6,001	6,001	15,610

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

7. Investment management costs

	Permanent funds 2020 £	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Investment property repairs	-	-	13,233	13,233	13,133
Investment property management fees (a)	16,475	-	6,767	23,242	39,698
Support costs (note 11)	-	-	9,010	9,010	9,495
	16,475	-	29,010	45,485	62,326

(a) Investment property management fees charged to permanent funds relate to the exploration of the development potential of some of the Hospital's land holdings.

8. Analysis of expenditure on charitable activities

	Permanent funds 2020 £	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Upkeep of historic buildings	-	9,161	321,647	330,808	313,777
Brothers' welfare	-	2,438	197,202	199,640	227,509
Public visiting and advertising expenses	-	-	49,827	49,827	27,814
Volunteer expenses	-	-	1,000	1,000	1,000
Costs of goods sold	-	-	1,746	1,746	12,229
Professional fees	-	-	-	-	10,123
Depreciation	-	-	34,397	34,397	22,098
Governance costs (note 10)	-	-	68,483	68,483	77,255
	-	11,599	674,302	685,901	691,805

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

9. Analysis of expenditure on charitable activities by activities

	Direct costs 2020 £	Support costs 2020 £	Total funds 2020 £	Total funds 2019 £
Upkeep of historic buildings	312,900	17,908	330,808	313,777
Brothers' welfare	169,368	30,272	199,640	227,509
Public visiting and advertising expenses	22,666	27,161	49,827	27,814
Volunteer expenses	1,000	-	1,000	1,000
Costs of goods sold	1,746	-	1,746	12,229
Professional fees	-	-	-	10,123
Depreciation	34,397	-	34,397	22,098
Governance costs (note 10)	15,783	52,700	68,483	77,255
	557,860	128,041	685,901	691,805

10. Governance costs

	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Audit fees	-	13,590	13,590	12,799
Other professional fees	-	2,193	2,193	4,839
Support costs (note 11)	-	52,700	52,700	59,617
	-	68,483	68,483	77,255

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

11. Allocation of support costs and overheads

	Investment property management (Note 7) £	Charitable activities (Note 9) £	Governance (Note 10) £	Total £
2020				
Clerical Salaries	9,010	66,883	47,062	122,955
Office costs	-	8,458	5,638	14,096
	9,010	75,341	52,700	137,051
2019				
Clerical Salaries	9,495	52,521	52,413	114,429
Office costs	-	13,378	7,204	20,582
	9,495	65,899	59,617	135,011

12. Staff costs

Staff costs were as follows:

	2020 £	2019 £
Wages and salaries	284,418	273,483
Social security costs	22,586	20,881
Pension costs	14,802	13,837
	321,806	308,201

The average number of employees during the year was 19 (2019: 19). The full time equivalent of these was 11 (2019: 11). No employee received emoluments of more than £60,000 (2019: nil).

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

13. Pension costs

The Hospital participates in the Pension Builder Scheme section of the Church Workers Pension Fund (CWPF) for lay staff. The Scheme is administered by the Church of England Pensions Board (the Board), which holds the assets of the schemes separately from those of the Employer and the other participating employers.

Pension Builder Classic provides a pension for members for payment from retirement, accumulated from contributions paid and converted into a deferred annuity during employment based on terms set and reviewed by the Church of England Pensions Board from time to time. Bonuses may also be declared, depending upon the investment returns and other factors.

There is no sub-division of assets between employers in each section of the Pension Builder Scheme.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the Statement of Financial Activities in the year are the contributions payable (2020: £14,802, 2019: £13,837). Contributions outstanding at the year end were £nil (2019: £nil).

A valuation of the Pension Builder Scheme is carried out once every three years. The most recent was carried out as at 31 December 2019, and was finalised in March 2021.

The valuation revealed a deficit of £4.8m for the whole of the Pension Builder Classic section on the ongoing assumptions used. The pension scheme administrators have estimated that the Hospital's share of the liabilities of the scheme is of the order of 0.2% of the total, which is less than £10,000. At the most recent annual review, the Board chose not to grant a discretionary bonus, which will have improved the funding position. There is currently no requirement for deficit payments to be made.

The legal structure of the scheme is such that if another employer fails, the Hospital could become responsible for paying a share of that employer's pension liabilities.

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

14. Net gains on investment assets

	Permanent funds 2020 £	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Unrealised gains/(losses) on revaluation of investment properties	240,000	-	-	240,000	(75,000)
Realised gains/(losses) on investments	(252,189)	-	-	(252,189)	-
Unrealised gains/(losses) on investments	508,128	32,626	124,755	665,509	1,342,466
	495,939	32,626	124,755	653,320	1,267,466

15. Gross transfers between funds

	Permanent funds £	Restricted funds £	Unrestricted funds £
Appropriations to permanent and restricted funds	10,308	1,625	(11,933)
	10,308	1,625	(11,933)

Appropriations to permanent funds represent the annual contributions made to recoupment orders of the Charity Commission. Appropriations to restricted funds represent the annual contribution to the Extraordinary Repair Fund and are offset by a transfer from restricted funds due to funds being de-restricted following the conditions of the restriction being met.

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

16. Tangible fixed assets

	Fixtures, fittings & plant £	Total £
Cost or valuation		
At 1 January 2020	515,956	515,956
Additions	13,642	13,642
On revaluations	-	-
	<hr/>	<hr/>
At 31 December 2020	529,598	529,598
	<hr/>	<hr/>
Depreciation		
At 1 January 2020	44,196	44,196
Charge for the year	34,397	34,397
	<hr/>	<hr/>
At 31 December 2020	78,593	78,593
	<hr/>	<hr/>
Net book value		
At 31 December 2020	451,005	451,005
	<hr/>	<hr/>
At 31 December 2019	471,760	471,760
	<hr/>	<hr/>

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

17. Fixed asset investment properties

	Investment properties <i>Hospital</i> £	Investment properties <i>Noble Poverty</i> £	Total £
Cost or valuation			
At 1 January 2020	8,946,000	885,000	9,831,000
Additions	-	-	-
Disposals	(4,250,000)	-	(4,250,000)
On revaluations	196,000	44,000	240,000
At 31 December 2020	4,892,000	929,000	5,821,000
Net book value			
At 31 December 2020	4,892,000	929,000	5,821,000
At 31 December 2019	8,946,000	885,000	9,831,000

Investment properties

The investment properties were revalued as at 31 December 2018 at open market value and the values were reviewed and adjusted as at 31 December 2020, on the advice of the Chairman of the Property Committee.

Heritage assets

The heritage assets are the property of the Hospital of St Cross Foundation and Almshouse of Noble Poverty Foundation jointly and comprise 25 Almshouses, the Church of St Cross, hall, gatehouse and ancillary buildings, and St Faith's Churchyard. The conservation of these buildings is one of the Hospital's primary objectives. The buildings were constructed in earlier centuries and their original cost has long since been written off and are therefore held at £nil net book value. No significant building unit has been added during the past sixty years.

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

18. Fixed asset investments

	Permanent funds £	Restricted funds £	Unrestricted funds £	Total funds £
CCLA Funds at market value				
At 1 January 2020	7,460,696	418,057	1,804,455	9,683,208
Recoupments	10,308	1,625	-	11,933
Additions	3,998,646	-	-	3,998,646
Transfers Between Funds	(17,310)	-	17,310	-
Transfers to Cash	-	-	(50,000)	(50,000)
Change in market value	508,128	32,626	124,755	665,509
At 31 December 2020	11,960,468	452,308	1,896,520	14,309,296

19. Debtors

	2020 £	2019
Trade debtors	6,968	21,620
Other debtors	494	3,761
Prepayments and accrued income	2,042	5,513
	9,504	30,894

20. Creditors

	2020 £	2019 £
Trade creditors	62,317	21,709
Taxation and social security	5,567	5,183
Other creditors	18,876	18,851
Accruals and deferred income	36,339	44,037
	123,099	89,780

In the 2019 accounts the deferred income was included within Other Creditors. This has been adjusted in 2020 to include deferred income within Accruals and deferred income and the 2019 comparative adjusted in line with this. Deferred income relates to deposits paid for future events/weddings; the balance held at the end of the year was £7,905 (2019: £4,781).

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

21. Permanent endowment funds

	At 1 Jan 2020 £	Movement for the year £	At 31 Dec 2020 £
Hospital of St Cross Foundation	15,623,068	380,785	16,003,853
Almshouse of Noble Poverty Foundation	1,379,102	75,562	1,454,664
	17,002,170	456,347	17,458,517
91, 93, 95 St Cross Road recoupment fund (a)	105,727	8,858	114,585
Porter's Lodge recoupment fund (b)	54,901	5,624	60,525
Brothers' flats recoupment fund (c)	128,898	18,943	147,841
	289,526	33,425	322,951
	17,291,696	489,772	17,781,468

Movements on recoupment funds include the required annual contribution together with unrealised gains and losses on the funds invested.

- a) Recoupment of expenditure on No's 91, 93 and 95 St Cross Road (established in 1991: annual contributions of £2,083 to be made for 60 years). Income can be used for the purposes of the Hospital.
- b) Recoupment of expenditure on the Porter's Lodge (established in 2003: annual contributions of £2,100 to be made for 40 years). Income can be used for the purposes of the Hospital.
- c) Recoupment of expenditure refurbishing the Brothers' flats (in 2006 the Charity Commission authorised a withdrawal of up to £400,000 with annual contributions to be made over 40 years). As at 31 December 2020 £245,000 had been withdrawn (annual contribution £6,125). Income can be used for the purposes of the Hospital.

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

22. Restricted funds

	At 1 Jan 2020 £	Movement for the year £	At 31 Dec 2020 £
Extraordinary repair funds (a)	361,617	37,100	398,717
John Hatton fund (b)	68,453	(1,471)	66,982
Brothers' welfare fund (c)	4,939	(670)	4,269
Friends grant fund (d)	-	15,839	15,839
	435,009	50,798	485,807

- a) Exceptional repairs to property (Scheme of 5 November 1984, clause 46: annual contributions of not less than £1,625).
- b) To provide for the Hospital's general purposes for the benefit and advancement of the social life of the Brothers.
- c) To provide for the welfare of the Brothers through donations given through collection boxes. Donations totalling £361 were received in the year and £1,031 disbursed.
- d) To provide for specified repairs to the Hospital. Grants totalling £25,000 were received in the year and £9,161 expended.

23. Unrestricted funds

	At 1 Jan 2020 £	Movement for the year £	At 31 Dec 2020 £
Designated funds:			
Commander J S Baker Bequest	461,984	29,528	491,512
Miss G M Bauer Bequest	140,971	26,933	167,904
	602,955	56,461	659,416
General fund	1,651,957	(23,060)	1,628,897
	2,254,912	33,401	2,288,313

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

24. Analysis of net assets between funds

	Permanent funds 2020 £	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Tangible fixed assets	-	-	451,005	451,005	471,760
Fixed asset investment properties	5,821,000	-	-	5,821,000	9,831,000
Fixed asset investments	11,960,468	452,308	1,896,520	14,309,296	9,683,207
Current assets	-	33,499	63,887	97,386	85,430
Creditors due within one year	-	-	(123,099)	(123,099)	(89,780)
	17,781,468	485,807	2,288,313	20,555,588	19,981,617

Analysis of net assets between funds (prior year comparative)

	Permanent funds 2019 £	Restricted funds 2019 £	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Tangible fixed assets	-	-	471,760	471,760	309,374
Fixed asset investment properties	9,831,000	-	-	9,831,000	9,906,000
Fixed asset investments	7,460,696	418,056	1,804,455	9,683,207	8,306,308
Current assets	-	16,953	68,477	85,430	231,837
Creditors due within one year	-	-	(89,780)	(89,780)	(123,303)
	17,291,696	435,009	2,254,912	19,981,617	18,630,216

25. Analysis of changes in net cash

	At 1 Jan 2020 £	Cash flow £	At 31 Dec 2020 £
Cash at bank and in hand	34,605	(10,447)	24,158
Cash held with investment manager	19,931	43,793	63,724
Net Cash	54,536	33,346	87,882

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

26. Financial instruments

	2020 £	2019 £
Basic financial assets	14,404,640	9,763,124
Basic financial liabilities	(117,532)	(84,597)

Basic financial assets are all investments (excluding investment properties), debtors plus cash in hand minus prepayments.

Basic financial liabilities are all creditors due in less than one year plus creditors due in more than one year minus taxation payable.

The entity's income, expense, gains and losses in respect of financial instruments are summarised below:-

	2020 £	2019 £
Total dividend and interest income for basic financial assets	294,984	296,406
Total (losses)/gains in respect of basic financial assets	665,510	1,342,466

27. Financial Commitments

Non-cancellable operating lease rentals receivable

	2020 £	2019 £
Less than one year	49,795	66,157
After one year and less than five years	13,219	20,927
After five years	-	-
	63,014	87,084

The lease rentals receivable relates to rent income receivable from the Hospital's investment properties. The amounts receivable are limited to the next rent review date for agricultural properties or the earlier of the lease end date or break clause for other properties.

28. Commitments and contingencies

There were no material commitments at 31 December 2020 or 31 December 2019 apart from routine maintenance work in progress.

There were no contingent liabilities at 31 December 2020 or 31 December 2019.

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

29. Related party transactions and Trustees' expenses and remuneration

No Trustee received any remuneration or reimbursement of expenses from the Hospital during the year.

Mrs. Susan Woodward, Mr Jonathan Cooke and Mr. Robin Chute are also Trustees of the Friends of St Cross Hospital Winchester. The Friends made a grant of £25,000 (2019: £17,000) to the Hospital during the year.

Key management personnel received total remuneration of £nil during the year (2019: £nil).

L Woodward, daughter of S Woodward (Trustee) was employed on an arms length basis during the year. Total remuneration during the year was £457.

During the year, total donations by the trustees to the charity amounted to £245 (2019: £nil).

30. Post Balance Sheet Events

Since the balance sheet date, the global Coronavirus outbreak, which was declared to be a pandemic in March 2020, has continued to gravely affect life in the UK and world-wide. In order to delay the spread of the virus and ultimately contain it, an extensive vaccination programme began in early 2021, which appears to be gradually having a positive effect, together with social distancing, business closures and travel bans. The Trustees considered the financial impact of this pandemic and have concluded that the matter is a non-adjusting post balance sheet event. See COVID-19 paragraph in the Trustees' Report on page 2.

The Hospital of St Cross and Almshouse of Noble Poverty

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

31. Additional prior year comparatives – statement of financial activities

	Note	Permanent funds 2019 £	Restricted funds 2019 £	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Income from:						
Donations, grants and legacies	2	-	7,385	78,199	85,584	53,783
Activities for generating funds	3	-	-	28,463	28,463	28,126
Investment income	4	-	2,340	434,570	436,910	441,172
Charitable activities	5	-	-	302,719	302,719	284,624
Total income		-	9,725	843,951	853,676	807,705
Expenditure on:						
<i>Raising funds:</i>						
Costs of generating voluntary income	6	-	-	15,610	15,610	15,210
Investment management costs	7	32,938	-	29,388	62,326	198,353
Charitable activities	8	-	12,586	679,219	691,805	728,675
Total expenditure		32,938	12,586	724,217	769,741	942,238
Net incoming (outgoing) resources before investment gains		(32,938)	(2,861)	119,734	83,935	(134,533)
Net gains (losses) on investments	14	941,118	62,484	263,864	1,267,466	(1,910,111)
Net income before transfers		908,180	59,623	383,598	1,351,401	(2,044,644)
Transfers between funds	15	10,308	1,625	(11,933)	-	-
Net movement in funds		918,488	61,248	371,665	1,351,401	(2,044,644)
Reconciliation of funds:						
Total funds at 1 January 2019		16,373,208	373,761	1,883,247	18,630,216	20,674,860
Total funds at 31 December 2019		17,291,696	435,009	2,254,912	19,981,617	18,630,216