

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

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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

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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

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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 Noble 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

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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.

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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

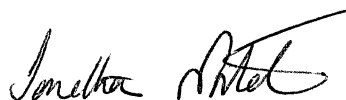
BALANCE SHEET

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
At 31 December 2023	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
At 31 December 2023	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
	<hr/>	<hr/>
	94,516	68,122
	<hr/>	<hr/>

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
	<hr/>	<hr/>	<hr/>
	18,042,892	1,751,612	19,794,504
	<hr/>	<hr/>	<hr/>

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