

ANNUAL REPORT AND GROUP ACCOUNTS
OF
GREAT HOSPITAL, NORWICH
FOR THE YEAR ENDED 31 MARCH 2024

GREAT HOSPITAL, NORWICH
ANNUAL REPORT AND STATEMENT OF ACCOUNTS
YEAR ENDED 31 MARCH 2024

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GREAT HOSPITAL, NORWICH

ANNUAL REPORT AND STATEMENT OF ACCOUNTS (CONTINUED)

YEAR ENDED 31 MARCH 2024

The Trustees of the Great Hospital are:

Mr J A Banham FCA CF	Chairman
Dr C A Singh MB ChB MRCP DRCOG DCH	Vice Chairman
Mr F N Davey	
Mrs C Jeffries	
Dr P J Moxon	
Mr K J Revell	
Mr J P Stanley MA (Oxon) FCA	
Mr W J Walker BSc FRICS	
Ms G A Westwood	
Mr A J Yuill	
Dr T J Pestell (appointed 28 February 2024)	
Mr N Dillon Hatcher (appointed 28 February 2024)	

The Officers, Senior Managers and principal external advisors are:

Master and Chief Executive	Mrs G K Dormer
Clerk & Company Secretary	Mr D Chapman
Executive Manager	Miss N S Tansley BA
Office Manager	Mrs C Vargas (appointed 1 October 2022)
Care Manager	Ms A M Johnson (resigned 14 June 2024)
Estate Manager	Mr G Crisp
Finance Manager	Mr I D Feltham MA (Oxon) ACA
Chaplain	The Rev'd Canon E Langan
Steward	Mr N F Saffell FRICS

Principal Office	The Great Hospital Bishopgate Norwich NR1 4EL
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Bankers	Barclays Bank Plc 5-7 Red Lion Street Norwich NR1 3QH
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Solicitors	Leathes Prior 74 The Close Norwich NR1 4DR
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Auditors	Larking Gowen LLP 1 st Floor Prospect House Rouen Road Norwich NR1 1RE
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Investment Managers	Rathbones (incorporating Investec Wealth and Investment) 30 Gresham Street London EC2V 7QN
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GREAT HOSPITAL, NORWICH

REPORT OF THE TRUSTEES

YEAR ENDED 31 MARCH 2024

The Trustees have pleasure in presenting their report and the financial statements for the year ended 31 March 2024. The purpose of these is to discharge the Trustees' duty of public accountability and stewardship.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charity's Trust Deed (the Scheme of Charity), the Accounting Direction for Private Registered Providers of Social Housing in England 2019 and with the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP (FRS 102)).

Reference and administrative details of the Charity, its Trustees and Advisors

The Great Hospital, situated in Bishopgate in the City of Norwich, is an unincorporated association, founded in 1249 by Walter de Suffield, Bishop of Norwich.

The Great Hospital is a Registered Charity (number 211953), governed by a Scheme of the Charity Commissioners dated 12 January 1983 (as amended by Schemes dated 2nd July 1996 and 15th January 2001). It is a Registered Social Landlord with the Regulator of Social Housing (number A0846) and also registered by the Care Quality Commission as a provider of Domiciliary Care.

The Charity has significant endowments in the form of directly-owned property and financial instruments of various types which the Trustees and Master manage with the advice of professional advisors. The income is used for the purposes as specified in the Scheme of Charity.

The names of the Trustees who have served during 2023/24 are set out on page 1, together with the names of Officers and Senior Managers of the Charity and external advisors.

Structure, governance and management

A Board of Trustees is responsible for the governance of the Great Hospital. Each Trustee is appointed by the Board of Trustees for a term of office of five years, after which period they may put themselves forward for re-appointment. All Trustees must live within a radius of 25 miles of the Cathedral Church of Norwich when appointed.

The Board of Trustees elects new Trustees who have the knowledge and experience to ensure that there is an appropriate skill mix to meet the needs of the Charity. New Trustees are required to complete an induction course which enables them to understand fully the aims and ethos of the Great Hospital and to help them to identify the risks, benefits and opportunities that exist.

The full Board of Trustees meets quarterly. There are four other major Committees which meet quarterly: the Policy Committee, the Finance Committee, the Care Committee and the newly formed Fabric Committee. These Committees oversee all policy and investment matters pertaining to the operation of the Charity. The Committees' meetings allow for effective input from Trustees in their particular area of expertise and for close working relationships with the senior management team. Each Committee Chairman reports to the full Trustee Board quarterly.

Trustee training sessions are held annually and also when needed for specific requirements. The Policy Committee keeps this under review on a regular basis. Strategic reviews are conducted annually by the Policy Committee.

Different aspects of the work of the Great Hospital are regulated by three external statutory bodies, the Charity Commission, the Regulator of Social Housing and the Care Quality Commission. Regulation by the Care Quality Commission ceased in June 2024 when the Great Hospital ceased providing regulated care. Historic England has formal oversight of the management of the heritage buildings which are of national and international significance and the Great Hospital is a member of the Almshouse Association.

The Master has the delegated authority to manage the Charity within the terms of the Scheme of Charity and in accordance with agreed policies and budgets, which are approved by the various Committees and ratified at the Trustees' plenary sessions.

GREAT HOSPITAL, NORWICH

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Salaries for the senior management team are set by the Master who monitors similar executive positions in the charity sector both locally and nationally. The Master's (CEO's) salary is determined by the Trustees, taking into account the skill set needed for the position and remuneration packages offered for similar appointments both locally and nationally.

Connected Charities

There are two connected Charities. They are Preachers' Charity (registered number 212127) and Sir Peter Seaman's Charity (registered number 311101). The Trustees of the Great Hospital are also Trustees of both of these Charities and both are managed by the Master of the Great Hospital in accordance with the various Schemes.

The objects of the Preachers' Charity are to distribute two-thirds of the Charity's net income for the religious and other charitable work of the Dean and Chapter of Norwich Cathedral and the remaining one third for the benefit of the inhabitants of the City of Norwich. The City is defined as the electoral area of the City and the contiguous parishes of Old Catton, Sprowston, Thorpe St Andrew, Trowse with Newton, Cringleford, Colney, Costessey, Taverham, Drayton, Hellesdon and Horsham and Newton St Faiths. The Charity distributed £6,000 for the benefit of the inhabitants of the City of Norwich during the year ended 31 March 2024.

The objects of the Sir Peter Seaman's Charity are to promote the education, including social and physical training, of young persons under the age of 21 living in the City of Norwich who, in the opinion of the Trustees, are in need of financial assistance. The City is defined as the electoral area of the City and the contiguous parishes of Old Catton, Sprowston, Thorpe St Andrew, Trowse with Newton, Cringleford, Colney, Costessey, Taverham, Drayton, Hellesdon and Horsham and Newton St Faiths. The Trustees distributed £4,291 in the year ended 31 March 2024.

Risk assessment and management

The Trustees have a formal risk management process to assess strategic, financial and operational risks and implement risk management strategies. This involves identifying the types of risks the Charity faces, prioritising them in terms of potential impact and likelihood of occurrence, and identifying appropriate means of managing the risks. The risk register is reviewed at least annually but more often if other risks to the organisation emerge.

Key risks considered include the ongoing financial viability of the Great Hospital and operational risks relating to health and safety. The Great Hospital relies on a combination of resident contributions mostly funded from state benefits and returns from its investment portfolio in order to provide accommodation and services for its residents and preserve the fabric of its heritage buildings. A regular programme of refurbishment is carried out to ensure accommodation remains of an appropriate standard and provides value for money. Flexibility is maintained by the Great Hospital in the generation of investment returns from its adoption of a "total return" approach to investments allowing the portfolio of investments to be constructed to maximise returns within an acceptable level of risk. As a part medieval site with numerous steps and uneven surfaces accessed both by older residents and visitors, the Trustees and Managers are very conscious of potential health and safety hazards. Residents also have cooking facilities within their accommodation. The Great Hospital has therefore developed a comprehensive health and safety framework and culture led by the Master, supported by the Health and Safety Committee, with regular training for all employees as fire marshals and first aiders and regular risk assessments, safety checks and inspections.

Statement of responsibilities of the Board of Trustees

Charity and registered social housing legislation requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the Charity and of the surplus or deficit for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation

GREAT HOSPITAL, NORWICH

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YEAR ENDED 31 MARCH 2024

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and to enable it to ensure that the financial statements comply with the Trust Deed (the Scheme of Charity), the Charities Act 2011, Schedule 1 to the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing in England 2019. They are also responsible for safeguarding the assets of the Charity and for taking appropriate measures to ensure the prevention and detection of fraud and other irregularities.

Public Benefit

In setting the objectives for the year, the Trustees have once again given careful consideration to the Charity Commission's general guidance on public benefit and continue to be mindful of their responsibilities in this regard. The Great Hospital was originally founded to provide relief for the poor and needy of the City of Norwich through the provision of shelter and sustenance and the wellbeing and interests of the residents remain the primary focus. Further, the Trustees are fully committed to maintaining the unique and important set of medieval and other heritage buildings and continue to fund a significant programme of maintenance and refurbishment.

Charity's Fundraising Work

The Trustees, the Master and the senior management team are clear about "who we are", "what we do" and how donations are used. They respect the rights, dignities and privacy of the Great Hospital's supporters and beneficiaries, and those of the connected Charities of Preachers' Charity and Sir Peter Seaman's Charity, and do not put undue pressure on a prospective donor to make a gift. If a prospective donor does not want to give, or wishes to cease giving, the decision will be respected entirely.

Professional telephone or street fundraisers, or commercial participators, are not employed or otherwise engaged to carry out fundraising activities and nor does the Great Hospital, Preachers' Charity or Sir Peter Seaman's Charity directly approach members of the public.

The Great Hospital, Preachers' Charity and Sir Peter Seaman's Charity comply with all relevant statutory regulations, including the Charities Act 2011, Data Protection Act 2018, the General Data Protection Regulation 2016/679 and the Privacy and Electronic Communications Regulations 2003. The Trustees, the Master and staff always seek to act in ways that are legal, open, honest and respectful. All complaints are managed in accordance with the Housing Ombudsman's Complaint Monitoring Code.

Objects and activities

The 'objects' of the Great Hospital as set out in the Scheme of Charity are:

'The provision and maintenance in the City of Norwich of the Parish Church of St Helen and of the almshouses known as the Great Hospital founded in accordance with the benevolent designs of King Edward the Sixth'.

Eligibility for residency at the Great Hospital is in accordance with the Scheme of Charity and as detailed in the Admissions Policy. Applicants who satisfy the age criteria must be resident in the greater Norwich area (as defined in the Scheme), must be in need and would, in the view of the Trustees as advised by the Master, benefit from being a resident. Persons who are resident elsewhere but who have lived or worked in Norwich will also be considered.

The 'aims' of the Charity are:

1. To preserve the fabric of the heritage building stock
2. Whenever possible, to provide a home for life for the residents in a secure and safe community
3. To continue to grow future investment income by investing endowment funds in appreciating assets as market conditions permit
4. To use the heritage assets to generate revenue and to be accessible to the public at large while acknowledging the sensitivity of the site and the wishes of the residents who live on it

Each year the Trustees review the objectives and activities to ensure they continue to reflect the aims.

As noted earlier, in carrying out this review the Trustees have considered the Charity Commission's general guidance on public benefit and have also assessed the outcomes in terms of value for money.

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To help achieve a long-term financially viable future for the charity, the Great Hospital ceased the provision of regulated care from June 2024. All residents receiving care from the charity were supported to access care on the site from third party care providers. While the care team members were made redundant, the Great Hospital established a small resident engagement team to continue to support our residents' welfare needs.

A full programme of resident events took place in 2023/24 including:

- The bowls match between residents and trustees
- The summer tea party
- Remembrance Day service
- The Christmas carol service
- The residents Christmas lunch

The Great Hospital invested in new equipment and building improvements during 2023/24 and subsequently to ensure the security and fire safety of our residents and to maintain our many heritage buildings.

Work has continued on the redevelopment of Elaine Herbert House. The incoming mains services have been established for the new building and archaeological work has been undertaken. A main contractor has been appointed and a contract for the construction has been signed. The initial construction work has now commenced. Grant funding toward the cost of the building has been secured with Homes England and a grant agreement has been signed. Construction work will continue through 2024 and 2025. This exciting development will create a further 25 units of accommodation.

Overview of the accounts

Summary

The Great Hospital achieved an occupancy level of 95.6% in the financial year against a target of 95% and this has resulted in net expenditure before gains and losses for the year of £582,776 (2023: £529,900) with a 7.5% increase in income to £2,318,598 and a 8.0% increase in expenditure to £2,901,374. The Charity's actual performance is being measured against the budget on a monthly basis and any variances against the budget are investigated to improve efficiency and performance.

In accordance with its charitable and strategic objectives, the Great Hospital maintains, repairs and improves the buildings on its site and seeks to provide enhanced accommodation for the benefit of its residents. It has achieved savings and greater value for money from procuring services from alternative suppliers and in reviewing its working practices. It has introduced regular tendering procedures for procurement where they did not exist and is implementing a long-term plan for investment in more efficient energy provision to realise cost savings, environmental benefits and increased comfort for residents, including heating installations and improvements in thermal efficiency.

The total net assets of the Charity increased by 0.4% to £34,343,867.

Investment policy

The Trustees have the power to administer and manage the assets of the Charity. The Trustees have delegated the management of its investment portfolio of stocks and shares to Rathbones (incorporating Investec Wealth and Investment), a firm of independent investment managers.

Investment returns are a critical source of funding both in respect of the provision of services to residents and in terms of the maintenance of the heritage buildings. Trustees agree a target real rate of return (over and above the return required to maintain the inflation adjusted value of the Endowment Fund) with Investec Wealth and Investment Limited's Investment Managers based on their expert view of potential future returns. The benchmark portfolio recognises the Great Hospital's long-term investment horizon and risk appetite. In the year to 31 March 2024 the financial investments portfolio achieved a total return of 8.69% before investment management fees compared to a benchmark return of 8.78%.

The Trustees have also delegated the day to day management of its property portfolio to Brown & Co – Property and Business Consultants LLP, a firm of independent Chartered Surveyors. Brown & Co have been instructed to maximise the rental income from properties, reporting to the Master and Trustees as necessary, and also to advise the Trustees of any new investment opportunities.

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REPORT OF THE TRUSTEES

YEAR ENDED 31 MARCH 2023

Total Return policy

The Trustees continue to take advice from their investment advisors on expected long term real rates of return from the investment portfolio. The advice takes into consideration a number of factors including the construction of the Charity's investment portfolio, the position in the investment cycle and the outlook for inflation.

The total return approach enables the Trustees to decide each year how much of the unapplied total return is transferred to income funds and is available for expenditure.

To determine the transfer each year the Trustees review the balance of the unapplied total return, the latest view from Investec Wealth and Investment Limited on sustainable real returns and the operational requirements of the Charity. Further information is disclosed in note 23.

Following this review a provisional allocation to income funds is set for budgeting purposes and performance is monitored on a quarterly basis during the financial year. The actual allocation to income funds for the year is confirmed at the final Finance Committee meeting each financial year. During the year ended 31 March 2024 the Trustees reviewed the performance of the investment portfolio in order to satisfy themselves that the current levels of transfer remained sustainable.

Reserves policy

The Great Hospital aims to hold around £500,000 in cash at bank as working capital, representing 3 months worth of expenditure. The balance at 31 March 2024 was £508,971 (2023: £658,501).

It is not considered necessary to hold cash at a higher level as the Total Return Approach to investment management means additional funds can be transferred from the Endowment Fund as and when required.

The Endowment Fund stood at £26,129,360 at 31 March 2024. Under the Total Return Approach, the entirety of the Endowment Fund can be utilised for the benefit of current and future beneficiaries other than an amount of £5,091,310 known as the Investment Fund, representing the value of original donations.

Assets

The overall value of the Charity's net assets on 31 March 2024 was £34,343,867. Fixed and current assets are as set out in the balance sheet.

The value of the Charity's non-property investments other than those held as cash deposits was £19,475,826.

The investment property portfolio, which comprises residential, commercial and agricultural land and buildings, was formally valued as at 31 March 2024 at £5,385,024 by the Great Hospital's investment property advisers Brown & Co Property and Business Consultants LLP (note 15).

In view of the Charity's substantial investments and assets the Trustees consider there is no material uncertainty in relation to the going concern assessments.

Value for money

In accordance with the Great Hospital's charitable purpose, in particular its obligation to maintain the accommodation occupied by residents and the other buildings on its site, the Charity's operational expenses are subsidised from the return on its capital funds and investments.

The value of that subsidy in the current financial year amounts to £1,131,801 (2023: £1,001,722) (operating deficit from Social Housing operation), which is 39.0% (2023: 41.8%) of the total expenditure incurred.

The Trustees intend to benefit the residents in future years by increasing the value of the services they receive, achieved through continued monitoring and scrutiny of operational expenses across the Charity.

In April 2018, the Regulator introduced a new Value for Money Standard in order to measure economy, efficiency and effectiveness.

Due to the unique nature of the Charity's operations, and the way housing activities are financed, it is not possible to make meaningful comparisons with an appropriate peer group.

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The Value for Money metrics set out below show how the Great Hospital had performed since the introduction of the standard.

Metrics and Basis

	2024	2023
1. Reinvestment	6%	8%
The metrics looks at the Investment in properties both new and existing as a percentage of the value of total properties held.		
2. New Supply Delivered	-	-
3. Gearing	-5%	-8%
This metric assesses how much of the assets are made up of debt and the degree of dependence on debt finance.		
4. Earnings before interest, tax, depreciation, amortisation, major repairs included (EBITDA MRI) Interest Cover	3,456%	-11,327%
This is a key indicator for liquidity and investment capacity.		
5. Headline Social Housing cost per unit	£25,442	£22,594
This metric assesses the headline social housing cost per unit as defined by the Regulator.		
6. Operating Margin		
This metric measures profitability, and is a way of measuring the financial efficiency of a business.		
Operating Margin (A)	-71%	-72%
Operating Margin (B)	-25%	-25%
7. Return on Capital Employed	0.4%	-5%
This metric measures the efficiency of investment of capital resources.		

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REPORT OF THE TRUSTEES
YEAR ENDED 31 MARCH 2023

Future plans

The key priorities for the coming year are:

- The construction of the new Elaine Herbert House building creating 25 additional units of accommodation.
- Focus on the works required to maintain our many heritage buildings.
- Continue to support the welfare of our residents and staff to make the Great Hospital and wonderful place to live and work.

Thanks

The Trustees and Master would like to express their sincere thanks to the Great Hospital staff who continue to demonstrate flexibility and commitment in supporting the charity's objectives.

On behalf of the Trustees



Mr J A Banham
Chairman

Date: 18/09/2024

Independent auditors' report to the Trustees of the Great Hospital

Opinion

We have audited the financial statements of The Great Hospital (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 March 2024 which comprise the Report of the Trustees, Consolidated Statements of Financial Activities, Consolidated and Parent Charity Balances Sheets, Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, 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 group's and parent charity's affairs as at 31 March 2024, and of the group's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011, the Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 2019.

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 group and parent 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 doubt on the Group's or the parent charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our 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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 parent charity's financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

In addition, we have nothing to report in respect of the following matter where the Housing and Regeneration Act 2008 requires us to report to you if, in our opinion:

- a satisfactory system of control over transactions has not been maintained.

Independent auditors' report to the Trustees of the Great Hospital

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 3, the trustees are responsible for the preparation of financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and parent 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 group or the parent 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 section 136 of the Housing and Regeneration Act 2008 and report in accordance with regulations made under section 154 of the Charities Act 2011 and section 137 of the Housing and Regeneration Act 2008

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

Our approach was as follows:

- We enquired of the Trustees about their own identification and assessment of the risks of irregularities.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- We made enquiries of the Trustees and staff in the finance function of the charity concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations;
- We read minutes of Trustee meetings and reviewed any correspondence with regulators.
- Auditing the risk of management override of controls, including through journal entries and other adjustments for appropriateness.

Because of the field in which the charity operates, we identified the following areas as most likely to have a material impact on the financial statements: Health and Safety; employment law; GDPR, CQC and compliance with the Charities Act 2011, the Housing and Regeneration Act 2008 and Financial Reporting Standard (FRS)102.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls we test the appropriateness of journal entries and other adjustments; we assess whether the judgements made in making accounting estimates are indicative of a potential bias; and we evaluate the business rationale of any significant transactions that are unusual or outside the normal course of business for the Scheme.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our 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 and section 137 of the Housing and Regeneration Act 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.



Larking Gowen LLP
Chartered Accountants and Statutory Auditors
NORWICH

Date: 19 September 2024

GREAT HOSPITAL, NORWICH

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES YEAR ENDED 31 MARCH 2024

	Notes	Unrestricted Fund £	Restricted Fund £	Endowment Fund £	2024 Total £	2023 Total £
Income and endowments from:						
<i>Donations and legacies</i>	2	1,838	-	-	1,838	57,102
<i>Income from charitable activities:</i>						
Contributions from residents	3	1,593,913	-	-	1,593,913	1,395,937
<i>Other trading activities:</i>						
Functions		3,073	-	-	3,073	1,394
<i>Investments:</i>						
Property Income	4	-	-	207,538	207,538	222,074
Interest and investment income	10	-	-	495,401	495,401	455,175
<i>Other income</i>	11	16,835	-	-	16,835	25,426
Total income and endowments		1,615,659	-	702,939	2,318,598	2,157,108
Expenditure on:						
<i>Cost of raising funds:</i>						
Investment management costs	5	-	-	115,145	115,145	186,236
<i>Expenditure on charitable activities:</i>						
Services	6	1,862,404	-	-	1,862,404	1,317,097
Management	7	314,351	-	-	314,351	573,615
Maintenance	8	312,063	-	-	312,063	322,827
Depreciation	9	275,803	17,104	-	292,907	286,538
<i>Other expenditure</i>		4,504	-	-	4,504	695
Total expenditure		2,769,125	17,104	115,145	2,901,374	2,687,008
Net income / (expenditure) before gains and losses on investments		(1,153,466)	(17,104)	587,794	(582,776)	(529,900)
Net gains / (losses) on investments 15&16		-	-	735,271	735,271	(1,303,551)
Net income / (expenditure)		(1,153,466)	(17,104)	1,323,065	152,495	(1,833,451)
Transfers between funds	23&24	1,088,000	-	(1,088,000)	-	-
Net movement in funds		(65,466)	(17,104)	235,065	152,495	(1,833,451)
Reconciliation of funds:						
Total funds brought forward		8,923,270	461,807	24,806,295	34,191,372	36,024,823
Total funds carried forward		8,857,804	444,703	25,041,360	34,343,867	34,191,372

GREAT HOSPITAL, NORWICH
BALANCE SHEET
AS AT 31 MARCH 2024

	Notes	Consolidated 2024	2023	Parent Charity 2024	2023
		£	£	£	£
Fixed assets					
Housing Association Scheme properties	14a&b	660,793	686,208	660,793	686,208
Equipment	14a&b	616,163	640,334	616,163	640,334
Improvements to Great Hospital buildings	14a&b	6,803,666	7,023,531	6,803,666	7,023,531
Property in the course of construction	14a&b	1,238,008	694,389	7,343	7,343
Investment properties	15	5,385,024	5,776,524	5,385,024	5,776,524
Investments	16&22	19,475,826	18,794,691	19,475,827	18,794,692
Programme related investment	17	-	-	1,099,000	749,000
		<u>34,179,480</u>	<u>33,615,677</u>	<u>34,047,816</u>	<u>33,677,632</u>
Current assets					
Stock	18	8,779	7,531	8,779	7,531
Debtors and prepayments	19	219,982	278,298	206,804	266,713
Cash at bank and in hand		508,970	658,501	492,004	525,439
Cash held by investment brokers		44,902	187,636	44,902	187,636
		<u>782,633</u>	<u>1,131,966</u>	<u>752,489</u>	<u>987,319</u>
Less:					
Creditors:					
Amounts falling due within one year	20	(527,680)	(464,935)	(354,199)	(374,211)
Net current assets		<u>254,953</u>	<u>667,031</u>	<u>398,290</u>	<u>613,108</u>
Total assets less current liabilities		<u>34,434,433</u>	<u>34,282,708</u>	<u>34,446,106</u>	<u>34,290,740</u>
Less:					
Creditors:					
Amounts falling due after one year	21	(90,566)	(91,336)	(90,566)	(91,336)
Total net assets		<u>34,343,867</u>	<u>34,191,372</u>	<u>34,355,540</u>	<u>34,199,404</u>
Represented by:					
The funds of the charity:					
Endowment fund	23	25,041,360	24,806,295	25,041,360	24,806,295
Restricted fund	24	444,703	461,807	444,703	461,807
Income fund (unrestricted)	24	8,857,804	8,923,270	8,869,477	8,931,302
		<u>34,343,867</u>	<u>34,191,372</u>	<u>34,355,540</u>	<u>34,199,404</u>

The financial statements on pages 11 to 32 were approved by the Board of Trustees and were signed on their behalf by:



Mr J A Banham



Mr A J Yuill

Date: 18/09/2024

The notes on pages 14 to 32 form part of these financial statements

GREAT HOSPITAL, NORWICH
CONSOLIDATED CASHFLOW STATEMENT,
AS AT 31 MARCH 2024

	2024 £	2023 £
Net cash outflow from operating activities (see below)	(863,413)	(874,333)
Cash Flows from investing activities		
Interest, dividends and rents received	702,939	677,249
Purchase of fixed assets	(567,077)	(705,425)
Investment property transactions	-	-
Proceeds from sale of investments property	-	301,559
Proceeds from sale of investments	5,392,730	4,303,865
Purchase of investments	(4,956,674)	(5,063,931)
Net cash provided by investing activities	571,918	(486,683)
Cash flows from financing activities		
Repayment of borrowing	(770)	(771)
Net cash provided by financing activities	(770)	(771)
Change in cash and cash equivalents in the year	(292,265)	(1,361,787)
Cash and cash equivalents brought forward	846,137	2,207,924
Cash and cash equivalents carried forward	553,872	846,137

Reconciliation of net income to net cash outflow from operating activities

	2024 £	2023 £
Net income / (loss)	152,495	(1,833,451)
Interest, dividends and rents received	(702,939)	(677,249)
(Gains)/Losses on investments	(725,689)	1,305,565
Depreciation	292,907	286,540
Decrease / (increase) in debtors	58,316	(38,804)
Decrease / (increase) in stock	(1,248)	(287)
Increase / (decrease) in creditors	62,745	83,353
Net cash outflow from operating activities	(863,413)	(874,333)

Analysis of changes in cash and cash equivalents:

	1 April 2023 £	Cash flows £	31 March 2024 £
Cash at bank and in hand	658,501	(149,531)	508,970
Cash held by investment brokers	187,636	(142,734)	44,902
Total	846,137	(292,265)	553,872

The notes on pages 14 to 32 form part of these financial statements

GREAT HOSPITAL, NORWICH

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2024

1. Accounting Policies

a) Basis of accounting

The accounts are prepared under the historical cost convention, modified to include the revaluation of certain fixed assets. The Housing SORP 2014 requires any almshouse that is not governed by the Landlord and Tenant Act 1985, and operates predominantly for charitable purposes, to adopt the Charities SORP when preparing its financial statements. The Great Hospital is a registered almshouse (membership number 333), and meets the other listed conditions and has therefore prepared the financial statements in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) issued on 16 July 2014, the accounting requirements of the Accounting Direction for Private Registered Providers of Social Housing 2019 and with charity law.

The Great Hospital meets the definition of a public benefit entity under FRS 102.

Preparation of the financial statements require management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include: useful economic lives of tangible assets - the annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of assets. The useful economic lives and residual values are reassessed annually. See note 14 for the carrying amount of property, plant and equipment and note 1 (f) and (i) for the useful economic lives for each class of assets; investment property valuations - the treatment of investment property is explained in note 1 (g) and the carrying value can be found in note 15.

The most significant area of uncertainty that affects the future value of the charity's assets is the performance of the property and listed investment market.

b) Consolidation

Under statute group financial statements are required. These consolidate the Charity and its subsidiary TGH (Commercial) Limited.

c) Income and Expenditure

All income is recognised once the group has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Expenditure is recognised once there is a legal or constructive obligation to make payment to a third party, 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. All expenses including support costs and governance costs are allocated to the applicable expenditure headings.

d) Government Grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of financial activities over the expected useful lives of the assets concerned. Other grants are credited to the statement of financial activities as the related expenditure is incurred.

e) Fixed assets - Housing Association scheme properties

Properties included under Housing Association scheme properties are stated at cost less depreciation which includes the following:

- i Cost of acquiring land and buildings
- ii Development expenditure
- iii Interest charged on the mortgage loans raised to finance the scheme, including notional interest.

Interest on the mortgage loan financing the development is capitalised up to the relevant date of interim SHG payment, (see note 1j). Interest on the residual mortgage loan after this date is charged to the Statement of Financial Activity.

GREAT HOSPITAL, NORWICH
NOTES TO THE ACCOUNTS (CONTINUED)
YEAR ENDED 31 MARCH 2024

f) Fixed assets - Great Hospital buildings

Buildings and improvements to buildings are shown at cost and depreciated over the estimated useful life of the asset, as follows:

Improvements to buildings - 50 years (2% straight line) - other than for additions below:

Housing Association properties - 50 years (2% straight line)

Assets in the course of construction are not depreciated

The Trustees have considered the application of component accounting and have depreciated improvements to building additions on the following basis:

Main fabric - 100 years

Roof - 75 years

Mechanical installations - 50 years

Electrical installations - 30 - 40 years

Windows and Doors - 30 years

Kitchen installation - 15 years

Lift installation - 20 years

Shower installation - 15 years

Fittings and furnishings - 15 years

g) Fixed assets - investment properties

A triennial valuation of investment properties at open market value is provided by Brown & Co - Property and Business Consultants LLP. In the intervening periods, investment property valuations are updated based on professional advice provided to the Trustees by Brown & Co – Property and Business Consultants LLP. The review conducted by the Great Hospital's advisors on behalf of the Trustees for the purpose of the interim valuation does not give rise to a formal valuation.

h) Heritage assets - Historical Bishopgate property

The Great Hospital maintains a collection of historic buildings at Bishopgate, Norwich, including the medieval church and cloisters. These have been acquired since the Charity was founded in 1249, and have no historic cost.

The Trustees feel that owing to the incomparable nature of the buildings, conventional valuation lacks sufficient reliability and that, even if valuations could be obtained, the costs would be onerous compared with the additional benefits derived by the Charity and users of the accounts. As a result, no value is reported for these assets in the Charity's accounts.

The cost of associated major maintenance and refurbishment is reported in the Statement of Financial Activity in the year it is incurred.

Further information is given in Note 14c to the accounts.

i) Fixed assets - Other assets

Other assets are depreciated over a period of 3-10 years on a straight-line basis.

j) Investments - Other 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 activity includes the net gains and losses arising on revaluation and disposals throughout the year.

The main form of financial risk faced by the charity 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 within particular sectors or sub sectors.

Programme related investments are carried at the amount invested less any impairments.

GREAT HOSPITAL, NORWICH
NOTES TO THE ACCOUNTS (CONTINUED)
YEAR ENDED 31 MARCH 2024

k) Social Housing Grants

Social Housing Grants (SHG) are made by the Housing Association and are utilised to reduce the amount of mortgage loan in respect of an approved scheme to the amount which it is estimated can be serviced by the net annual income of the scheme. The amount of SHG is calculated on the qualifying costs of the scheme in accordance with instructions issued from time to time by the Regulator of Social Housing.

Where developments have been financed wholly or partly by SHG, the SHG is recognised in income when the charity has entitlement to it.

SHG are repayable under certain circumstances, primarily following the sale of a property. Provision for repayment is made in the balance sheet when properties, which have SHG funding, are sold.

l) Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.

Restricted funds are those funds that can only be used for particular restricted purposes. Restrictions arise when specified by the donor or when funds are raised for particular restrictive purposes.

Following an application to the Charity Commission the Great Hospital moved to a total return approach to accounting for investments from 1 April 2013.

m) Pension scheme

The Great Hospital operates defined contribution pension schemes for members of staff of the Charity. The pension costs charged to the Statement of Financial Activity represents the employer's contributions payable under the rules of the schemes.

n) Stock

Stocks are carried at the lower of cost and net realisable value.

o) Going concern

The charity has generated sufficient financial resources from its activities to allow the Trustees to believe that the charity is well placed to manage its operational risks successfully in the current economic climate. Accordingly, the Trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

p) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

q) Creditors

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

Short term creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due. Other financial liabilities are measured at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

r) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. Other receivables are measured initially at fair value, net of transaction costs, and are measured subsequently as amortised cost using the effective interest method, less any impairment. If settlement of debt is deferred, the consideration is discounted at an appropriate interest reflecting the financing transaction involved.

GREAT HOSPITAL, NORWICH
NOTES TO THE ACCOUNTS (CONTINUED)
YEAR ENDED 31 MARCH 2024

2. Income from Donations and Legacies

	Regulated Social Housing Activities	Unregulated Activities	Total 2024	Total 2023
	£	£	£	£
Donations	-	1,838	1,838	57,102
	-	1,838	1,838	57,102

3. Social Housing Income and Expenditure

Accommodation charge	1,033,241	-	1,033,241	945,157
Service charges (see below)	560,672	-	560,672	450,780
Contribution from Residents	1,593,913	-	1,593,913	1,395,937
Social housing operating costs	(2,725,714)	-	(2,725,714)	(2,397,659)
Operating deficit	(1,131,801)	-	(1,131,801)	(1,001,722)
Void losses	(54,284)	-	(54,284)	(55,029)
Service Charges				
Gas and Electricity	177,590	-	177,590	140,856
Care service	164,692	-	164,692	141,652
Catering	123,355	-	123,355	94,856
Cleaning	95,035	-	95,035	73,416
	560,672	-	560,672	450,780

GREAT HOSPITAL, NORWICH
NOTES TO THE ACCOUNTS (CONTINUED)
YEAR ENDED 31 MARCH 2024

	Regulated Social Housing Activities £	Unregulated Activities £	Total 2024 £	Total 2023 £
4. Property income				
Investment properties	-	207,538	207,538	222,074
Expenses				
Agent's commission	-	(9,236)	(9,236)	(9,798)
Professional fees	-	(12,729)	(12,729)	(3,193)
Repairs etc	-	(15,242)	(15,242)	(92,094)
Net income from investment properties	-	170,331	170,331	116,989
5. Cost of managing investments				
Property agent's commission	-	9,236	9,236	9,798
Professional fees	-	12,729	12,729	3,193
Repairs etc	-	15,242	15,242	92,094
Investment managers fees	-	66,582	66,582	69,289
Irrecoverable VAT	-	11,356	11,356	11,862
	-	115,145	115,145	186,236
6. Services				
Staff costs	1,408,999	-	1,408,999	904,924
Food	68,848	-	68,848	86,779
Energy	221,915	-	221,915	147,073
Laundry and cleaning	21,534	-	21,534	28,075
Water and council tax	27,402	-	27,402	21,586
Amenities	3,267	-	3,267	10,119
Care consumables	393	-	393	1,543
Irrecoverable VAT	110,046	-	110,046	97,596
	1,862,404	-	1,862,404	1,297,695
7. Management				
Administration	165,377	-	165,377	132,933
Staff costs	16,538	876	17,414	325,103
Insurance	76,425	55,135	131,560	115,579
	258,340	56,011	314,351	573,615

GREAT HOSPITAL, NORWICH
NOTES TO THE ACCOUNTS (CONTINUED)
YEAR ENDED 31 MARCH 2024

	Regulated Social Housing Activities £	Unregulated Activities £	Total 2024 £	Total 2023 £
8. Maintenance				
Building maintenance	312,063	-	312,063	322,827
9. Depreciation				
Housing Association scheme properties	25,415	-	25,415	8,311
Equipment	47,628	-	47,628	41,297
Improvements to Great Hospital buildings	219,864	-	219,864	236,930
	292,907	-	292,907	286,538
10. Interest and investment income receivable				
Securities interest	-	493,964	493,964	454,807
Deposit interest receivable	-	1,437	1,437	368
	-	495,401	495,401	455,175
11. Other income				
Sundry income	-	16,570	16,570	-
Booklet sales	-	265	265	160
	-	16,835	16,835	160
12. Taxation				
The Great Hospital is a registered Charity within the meaning of the Taxes Act and is, therefore, eligible to claim certain exemptions to income tax and capital gains tax. As a consequence no charge to taxation arises for the year.				
13. Surplus after interest		2024	2023	
		£	£	
The net income before gains and losses is stated after charging / (crediting):				
Interest payable		12,887	13,657	
Depreciation		292,907	286,538	
Auditors remuneration – audit		23,370	21,840	
Auditors remuneration – non audit services		375	1,189	

GREAT HOSPITAL, NORWICH
NOTES TO THE ACCOUNTS (CONTINUED)
YEAR ENDED 31 MARCH 2024

14a. Fixed Assets - Group

	Housing Assoc. Scheme Properties £	Building Improvements £	Equipment £	Property in the course of construction £	Total £
Cost					
At 1 April 2023	1,270,755	9,489,232	1,053,426	694,389	12,507,802
Additions	-	-	23,458	543,619	567,077
At 31 March 2024	1,270,755	9,489,232	1,076,884	1,238,008	13,074,879
Depreciation					
At 1 April 2023	584,547	2,465,702	413,093	-	3,463,342
Charge for the year	25,415	219,864	47,628	-	292,907
At 31 March 2024	609,962	2,685,566	460,721	-	3,756,249
Net book value					
At 31 March 2024	660,793	6,803,666	616,163	1,238,008	9,318,630
At 31 March 2023	686,208	7,023,530	640,333	694,389	9,044,460

The ancient Great Hospital buildings at Bishopgate, Norwich have not been valued (note 14c) and have an historical cost of £nil, with the cost of improvements to date shown above.

A construction project commenced in previous financial years, this project is reflected as an asset in the course of construction.

GREAT HOSPITAL, NORWICH
NOTES TO THE ACCOUNTS (CONTINUED)
YEAR ENDED 31 MARCH 2024

14b. Fixed Assets – Parent Charity

	Housing Assoc. Scheme Properties £	Building Improvements £	Equipment £	Property in the course of construction £	Total £
Cost					
At 1 April 2023	1,270,755	9,489,232	1,053,426	7,343	11,820,756
Additions	-	-	23,458	-	23,458
At 31 March 2024	1,270,755	9,489,232	1,076,884	7,343	11,844,214
Depreciation					
At 1 April 2023	584,547	2,465,702	413,093	-	3,463,342
Charge for the year	25,415	219,864	47,628	-	292,907
At 31 March 2024	609,962	2,685,566	460,721	-	3,756,249
Net book value					
At 31 March 2024	660,793	6,803,666	616,163	7,343	8,087,965
At 31 March 2023	686,208	7,023,530	640,333	7,343	8,357,414

The ancient Great Hospital buildings at Bishopgate, Norwich have not been valued (note 14c) and have an historical cost of £nil, with the cost of improvements to date shown above.

A construction project commenced in previous financial years, this project is reflected as an asset in the course of construction.

GREAT HOSPITAL, NORWICH
NOTES TO THE ACCOUNTS (CONTINUED)
YEAR ENDED 31 MARCH 2024

14c. Heritage assets not recognised in the balance sheet

The Great Hospital maintains a collection of historic buildings at Bishopgate, Norwich, including the medieval church and cloisters. These have been acquired since the Charity was founded in 1249 and have no historic cost.

There have been no acquisitions or disposals of heritage assets.

The Charity is committed to maintaining these unique and important buildings and continues to fund a significant programme of maintenance and refurbishment.

15. Investment properties - Group and Charity

	2024	2023
	£	£
Valuation		
1 April 2023	5,776,524	6,138,524
Disposals	-	(301,559)
Additions	-	-
Realised gain on disposal	-	21,559
Gain / (loss) on revaluation	(391,500)	(82,000)
	<hr/>	<hr/>
31 March 2024	5,385,024	5,776,524
	<hr/>	<hr/>
Classification of properties		
Residential Estate	736,500	703,000
Commercial holdings	3,985,000	4,410,000
Agricultural holdings	663,524	663,524
	<hr/>	<hr/>
	5,385,024	5,776,524
	<hr/>	<hr/>

A formal valuation of investment properties was carried out at 31 March 2024 by Brown & Co Property and Business Consultants LLP, a firm of independent chartered surveyors, on behalf of the Trustees in accordance with the accounting policy set out in note 1g. A formal valuation of investment properties is carried out at least every three years.

GREAT HOSPITAL, NORWICH
NOTES TO THE ACCOUNTS (CONTINUED)
YEAR ENDED 31 MARCH 2024

16. Investments

	2024 Cost £	2024 Market value £	2023 Cost £	2023 Market value £
Government stock	1,022,927	1,006,142	389,826	344,694
Ordinary shares	9,769,136	13,261,853	9,344,344	12,244,951
Fixed interest	2,318,024	2,306,352	3,072,186	3,046,200
Other assets	2,967,620	2,901,479	2,967,620	3,158,846
Total	16,077,707	19,475,826	15,773,976	18,794,691
Un-quoted investments				
Shares in TGH (Commercial) Ltd	1	1	1	1
Grand total - Charity	16,077,708	19,475,827	15,773,977	18,794,692

TGH (Commercial) Limited is a 100% subsidiary and a property construction company that has expanded its activities to include the provision of hospitality. TGH (Commercial) Limited has been engaged by the Great Hospital to design and build new accommodation for residents. The results of the subsidiary company to 31 March 2024 are set out in note 29.

	2024 £	2023 £
Movements in quoted investments		
Market value 1 April 2023	18,794,691	19,279,749
Additions	4,956,674	5,063,931
Disposals	(5,392,730)	(4,303,865)
Net investment gains / (losses)	1,117,191	(1,245,124)
Market value 31 March 2024	19,475,826	18,794,691

All investments are included within the accounts at their current market value, in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102)

Net investment gains / (losses) comprise realised losses of £10,707 (2023: losses of £251,178) and unrealised gains of £1,127,898 (2023: losses of £993,947)

GREAT HOSPITAL, NORWICH
NOTES TO THE ACCOUNTS (CONTINUED)
YEAR ENDED 31 MARCH 2024

17. Programme related investment

	Charity 2024 £	2023 £
Loan to TGH (Commercial) Limited		
Balance at 1 April 2023	749,000	179,000
Additional loan	350,000	570,000
	<hr/>	<hr/>
Balance as at 31 March 2024	1,099,000	749,000
	<hr/>	<hr/>

A loan has been made to TGH (Commercial) Limited, the Charity's subsidiary. TGH (Commercial) Limited has been engaged by the Charity to design and build new accommodation for its residents.

18. Stock

	Group 2024 £	2023 £	Charity 2024 £	2023 £
Food and beverages	7,816	6,509	7,816	6,509
Booklets	963	1,022	963	1,022
	<hr/>	<hr/>	<hr/>	<hr/>
	8,779	7,531	8,779	7,531
	<hr/>	<hr/>	<hr/>	<hr/>

19. Debtors

	Group 2024 £	2023 £	Charity 2024 £	2023 £
Prepayments and accrued income	35,977	135,451	35,977	135,451
Other debtors	148,310	115,158	135,132	103,573
Residents' contributions receivable	35,695	27,689	35,695	27,689
	<hr/>	<hr/>	<hr/>	<hr/>
	219,982	278,298	206,804	266,713
	<hr/>	<hr/>	<hr/>	<hr/>

20. Creditors: amounts falling due within one year

	Group 2024 £	2023 £	Charity 2024 £	2023 £
Trade creditors	159,256	252,859	146,417	223,810
Taxation and social security	31,196	28,204	31,196	28,204
Accruals and deferred income	331,384	183,875	170,742	122,197
Other creditors	5,844	-	5,844	-
	<hr/>	<hr/>	<hr/>	<hr/>
	527,680	464,935	354,199	374,211
	<hr/>	<hr/>	<hr/>	<hr/>

GREAT HOSPITAL, NORWICH

NOTES TO THE ACCOUNTS (CONTINUED) YEAR ENDED 31 MARCH 2024

21. Creditors: amounts falling due after more than one year - Group and Charity

		2024 £	2023 £
Housing Association schemes (see below)		90,566	91,336
		<hr/>	<hr/>
		90,566	91,336
		<hr/>	<hr/>
Housing Association Schemes			
	Prior Court £	Youngs Green £	Total £
Balances at beginning of year	44,838	46,498	91,336
Less capital due within one year	(450)	(320)	(770)
	<hr/>	<hr/>	<hr/>
Balances at end of year	44,388	46,178	90,566
	<hr/>	<hr/>	<hr/>
Balance included above repayable by instalments in more than five years	42,138	44,578	86,716
	<hr/>	<hr/>	<hr/>
Rate of interest payable	15%	14%	
	<hr/>	<hr/>	

All the schemes have been completed. The loan relating to Prior Court is repayable over 60 years from 1 February 1980. The loan relating to Youngs Green is repayable over 60 years from 1 January 1983. Interest payable on the loans during the year ended 31 March 2024 amounted to £12,887 (2023: £13,657).

GREAT HOSPITAL, NORWICH
NOTES TO THE ACCOUNTS (CONTINUED)
YEAR ENDED 31 MARCH 2024

22. Financial Instruments

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Financial assets at fair value through statement of financial activities				
Investments	19,475,826	18,794,691	19,475,827	18,794,692
	19,475,826	18,794,691	19,475,827	18,794,692
Financial assets measured at amortised cost				
Trade debtors	35,695	27,689	35,695	27,689
Other debtors	148,310	115,158	135,132	103,573
Amounts owed by group undertakings	-	-	1,099,000	749,000
	184,005	142,847	1,269,827	880,262
Financial liabilities measured at amortised cost				
Trade creditors	159,256	252,859	146,417	223,810
Accruals	310,017	163,415	149,375	101,740
Other creditors	5,844	-	5,844	-
Loans – Amounts due within one year	770	769	770	769
Loans – Amounts due after one year	90,566	91,336	90,566	91,336
	556,453	508,379	392,972	417,655

GREAT HOSPITAL, NORWICH
NOTES TO THE ACCOUNTS (CONTINUED)
YEAR ENDED 31 MARCH 2024

23. Movement in Permanent Endowment – Total Return Approach

	Investment Fund £	Unapplied Total Return £	Total Permanent Endowment £
At beginning of the reporting period:			
Gift component of the permanent endowment	5,091,310	-	5,091,310
Unapplied total return	-	19,714,985	19,714,985
Total	5,091,310	19,714,985	24,806,295
Movements in the reporting period:			
Investment return: Income, dividends and interest	-	702,939	702,939
Investment return: realised and unrealised losses	-	735,271	735,271
Less: Investment management costs	-	(115,145)	(115,145)
Net unapplied total return	-	1,323,065	1,323,065
Unapplied total return allocated to income in the reporting period	-	(1,088,000)	(1,088,000)
Net movement in the reporting period	-	235,065	235,065
At end of the reporting period:			
Gift component of the permanent endowment	5,091,310	-	5,091,310
Unapplied total return	-	19,950,050	19,950,050
Total	5,091,310	19,950,050	25,041,360

The Great Hospital has adopted a total return approach to investments pursuant to an order of the Charity Commission for England and Wales under section 105 of the Charities Act 2011 dated 14 March 2011.

The Great Hospital has benefited from returns on investments since its foundation in 1249. By agreement with the Charity Commission, the initial Investment Fund was set based on total assets held at January 1983 when a Scheme of the Charity Commissioners for the Great Hospital was established. This sum was increased to account for inflation between 1983 and the commencement of the Total Return Approach in April 2013.

GREAT HOSPITAL, NORWICH
NOTES TO THE ACCOUNTS (CONTINUED)
YEAR ENDED 31 MARCH 2024

24. Summary of fund movements:

	Total £	Income Fund £	Restricted Fund £	Endowment Fund £
Charity Funds as at 31 March 2023	34,199,404	8,931,302	461,807	24,806,295
Income	2,318,598	1,615,659	-	702,939
Expenditure	(2,897,733)	(2,765,484)	(17,104)	(115,145)
Transfers between funds	-	1,088,000	-	(1,088,000)
Gains and losses on investments	735,271	-	-	735,271
	<hr/>	<hr/>	<hr/>	<hr/>
Charity Funds as at 31 March 2024	34,355,540	8,869,477	444,703	25,041,360
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The restricted fund represents Social Housing grants applied to Housing Association Scheme property developments. The fund is reduced by a proportion of the associated properties annual depreciation charge.

A transfer was made during the year of £1,088,000 releasing endowment funds to income funds for the benefit of current and future beneficiaries. The 2023 fund movements are disclosed in note 31.

25. Staff costs

The average number of employees expressed as a headcount during the year to 31 March 2024 was 50. The corresponding number of employees for the year to 31 March 2023 was 53.

Total staff costs during the year were:

	2024 £	2023 £
Remuneration	1,151,133	1,072,521
Social security costs	97,716	96,554
Pension cost	44,662	46,128
	<hr/>	<hr/>
	1,293,511	1,215,202
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Emoluments (including employers National Insurance) paid to members of the senior management team totalled £402,231 (2023: £349,327).

During the year the highest paid member of the senior management team was the Master whose remuneration was £100,491 (2023: £91,673) and employer pension of £4,752 (2023: £4,442).

One other staff member had emoluments in the disclosable salary range of £60,000 - £70,000 during the year (2023: None).

Redundancy obligations in the year totalled £82,010 (2023: £nil).

The Charity operates a group personal pension plan for members of staff. The pension charge represents contribution premiums payable by The Great Hospital to this plan under the rules of the scheme.

GREAT HOSPITAL, NORWICH
NOTES TO THE ACCOUNTS (CONTINUED)
YEAR ENDED 31 MARCH 2024

26. Trustees remuneration and expenses

No Trustees received any remuneration (2023: £ nil).

No Trustees were reimbursed for expenses (2023: £nil).

27. Residents contributions for accommodation

The Great Hospital provides almshouse accommodation and does not grant tenancies of dwellings occupied for the purpose of the Charity. At 31 March 2024 there were 101 (2023: 98) units available for residents under the 'Housing for older people' scheme.

28. Summary of net assets by fund

	Total 2024 £	Income Fund 2024 £	Restricted Fund 2024 £	Endowment Fund 2024 £
Investments (at Market Value)	19,475,827	-	-	19,475,827
Cash	536,906	488,376	-	48,530
Stock	8,779	8,779	-	-
Debtors	206,804	74,825	-	131,979
Creditors	(354,199)	(354,199)	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Free reserves	19,874,117	217,781	-	19,656,336
	<hr/>	<hr/>	<hr/>	<hr/>
Housing Association loans	(90,566)	(90,566)	-	-
Investment property	5,385,024	-	-	5,385,024
Property in the course of construction	1,106,343	1,106,343	-	-
Housing Association Scheme property	660,793	216,090	444,703	-
Equipment	616,163	616,163	-	-
Building improvements	6,803,666	6,803,666	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	34,355,540	8,869,477	444,703	25,041,360
	<hr/>	<hr/>	<hr/>	<hr/>
Investment Fund				5,091,310
Unapplied Total Return				19,950,050
				<hr/>
Total Endowment Fund				25,041,360
				<hr/>

GREAT HOSPITAL, NORWICH
NOTES TO THE ACCOUNTS (CONTINUED)
YEAR ENDED 31 MARCH 2024

28. Summary of net assets by fund (continued)

	Total 2023 £	Income Fund 2023 £	Restricted Fund 2023 £	Endowment Fund 2023 £
Investments (at Market Value)	18,794,692	-	-	18,794,692
Cash	713,075	571,214	-	141,861
Stock	7,531	7,531	-	-
Debtors	266,713	173,495	-	93,218
Creditors	(374,211)	(374,211)	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Free reserves	19,407,800	378,029	-	19,029,771
	<hr/>	<hr/>	<hr/>	<hr/>
Housing Association loans	(91,336)	(91,336)	-	-
Investment property	5,776,524	-	-	5,776,524
Property in the course of construction	756,343	756,343	-	-
Housing Association Scheme property	686,208	224,401	461,807	-
Equipment	640,334	640,334	-	-
Building improvements	7,023,531	7,023,531	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	34,199,404	8,931,302	461,807	24,806,295
	<hr/>	<hr/>	<hr/>	<hr/>
Investment Fund				5,091,310
Unapplied Total Return				19,714,985
				<hr/>
Total Endowment Fund				24,806,295
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GREAT HOSPITAL, NORWICH
NOTES TO THE ACCOUNTS (CONTINUED)
YEAR ENDED 31 MARCH 2024

29. Subsidiary company results

The Charity has a wholly owned subsidiary company, TGH (Commercial) Limited.

The subsidiary company is a property construction and hospitality company and has been engaged by the Great Hospital to design and build new accommodation for residents.

The subsidiary is not registered with the social housing regulator. The results of the subsidiary company to 31 March 2024 are set out below.

	2024	2023
	£	£
Turnover	-	2,580
Cost of sales and administration	(3,640)	(3,727)
Charitable donation	-	-
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Net profit/(loss)	(3,640)	(1,147)
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The aggregate of assets liabilities and reserves was:

	2024	2023
	£	£
Current assets	1,260,810	831,693
Current liabilities	(1,272,481)	(839,724)
	<hr/>	<hr/>
	(11,671)	(8,031)
	<hr/>	<hr/>

At the 31 March 2024 the charity had made a programme related investment of £1,099,000 (2023: £749,000) in the subsidiary. Details of this are set out in note 17.

30. Related Party Transactions

TGH (Commercial) Limited is committed to pay its taxable profits to the Great Hospital by way of covenanted gift aid. At 31 March 2024 £Nil (2023: £Nil) was due to the Great Hospital from TGH (Commercial) Limited.

Organisations connected to the Charity occasionally hire the halls with all transactions being carried out on the same terms as they are offered to the general public.

31. Post Balance Sheet Event

Following the year end, work has continued on the redevelopment of Elaine Herbert House. A main contractor has been appointed, and grant funding toward the cost of the building has been secured with Homes England. Construction work will continue through 2024 and 2025.

GREAT HOSPITAL, NORWICH

NOTES TO THE ACCOUNTS (CONTINUED) YEAR ENDED 31 MARCH 2024

32. Statement of Financial Activities 31 March 2023

	Income Fund £	Restricted Fund £	Endowment Fund £	2023 Total £
Income and endowments from:				
<i>Donations and legacies</i>	57,102	-	-	57,102
<i>Income from charitable activities:</i>				
Net contributions from residents	1,395,937	-	-	1,395,937
<i>Other trading activities</i>				
Functions	1,394	-	-	1,394
<i>Investments</i>				
Property income	-	-	222,074	222,074
Interest and investment income receivable	-	-	455,175	455,175
<i>Other income</i>	25,426	-	-	25,426
Total income and endowments	1,479,859	-	677,249	2,157,108
Expenditure on:				
<i>Cost of raising funds</i>				
Investment management costs	-	-	186,236	186,236
<i>Expenditure on charitable activities:</i>				
Services	1,317,097	-	-	1,317,097
Management	573,615	-	-	573,615
Maintenance	322,827	-	-	322,827
Depreciation	269,434	17,104	-	286,538
<i>Other expenditure</i>	695	-	-	695
Total expenditure	2,483,668	17,104	186,236	2,687,008
Net income / (expenditure) before gains and losses on investments	(1,003,809)	(17,104)	491,013	(529,900)
Net gains / (losses) on investments	-	-	(1,303,551)	(1,303,551)
Net income / (expenditure)	(1,003,809)	(17,104)	(812,538)	(1,833,451)
Transfers between funds	904,000	-	(904,000)	-
Net movement in funds	(99,809)	(17,104)	(1,716,538)	(1,833,451)
Reconciliation of funds				
Total funds brought forward	9,023,079	478,911	26,522,833	36,024,823
Total funds carried forward	8,923,270	461,807	24,806,295	34,191,372