

**THE HOSPITAL OF ST MARY THE VIRGIN (RYE HILL AND BENWELL)
ALMSHOUSES CHARITY**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

THE HOSPITAL OF ST MARY THE VIRGIN (RYE HILL AND BENWELL) ALMSHOUSES CHARITY

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THE HOSPITAL OF ST MARY THE VIRGIN (RYE HILL AND BENWELL) ALMSHOUSES CHARITY

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2024

Trustees

Dr Hazel Jones-Lee, Chair
Mr Richard Metcalfe, Vice Chair
Mr Alan Birkmyre
Councillor Teresa Cairns (resigned 14 May 2024)
Mr Aidan Evans
Councillor John O'Shea
Ms Sue Pearson
Dr Hilary Anne Wynne
Mrs Patricia Wynne CBE (retired 7 June 2023)
Councillor Shumel Rahman (resigned 2 May 2024)
Mr N McDiarmid (resigned 8 May 2023)
Mr M Richardson

Charity registered number

216275

Registered office

5 - 7 Osborne Terrace
Newcastle upon Tyne
NE2 1SQ

Independent auditors

Kinnair Associates Limited
Chartered Accountants
Registered Auditor
Aston House
Redburn Road
Newcastle upon Tyne
NE5 1NB

Bankers

National Westminster Bank plc
16 Northumberland Street
Newcastle upon Tyne
NE1 7EL

Solicitors

Mincoffs Solicitors
5 - 7 Osborne Terrace
Newcastle upon Tyne
NE2 1SQ

Regulator of Social Housing number

A1273

THE HOSPITAL OF ST MARY THE VIRGIN (RYE HILL AND BENWELL) ALMSHOUSES CHARITY

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
(CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024**

Manager

Patricia Embleton
Thomas Horsley House
Benwell Lane
Newcastle upon Tyne
NE15 6NG

Clerks

Timothy Rohan Gray (Clerk)
Christopher Hughes (Deputy)

THE HOSPITAL OF ST MARY THE VIRGIN (RYE HILL AND BENWELL) ALMSHOUSES CHARITY

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2024

The Trustees present their annual report together with the audited financial statements of the Charity for the year 1 April 2023 to 31 March 2024.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the Charity's governing document, the Housing SORP 2018: Statement of Recommended Practice (SORP) for Registered Social Housing Providers, the Charities Act 2011, the relevant version of the Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022.

The Financial Statements do not present a Statement of Comprehensive Income or a Statement of Changes in Reserves as the Trustees believe that the information that would be shown in these statements is already adequately disclosed in the Statement of Financial Activities and the Statement of Funds note to the Financial Statements.

Objectives and activities

• Policies and objectives

The objective of the Charity is to provide inexpensive sheltered accommodation for poor men over the age of 50 years referred to as "residents".

The principal activity is the management of the Almshouses at Rye Hill and Benwell. The numbers of flats available for occupation by residents are 19 at Rye Hill and 40 at Thomas Horsley House, Benwell.

The Trustees are satisfied that the objects of the Charity fall within the meaning of "charitable purpose" within Section 2 of the Charities Act 2011 as they refer particularly to: -

- a. the prevention or relief of poverty; and
- b. the relief of those in need by reason of youth, age, ill-health, disability, financial hardship or other disadvantage.

The Trustees are further satisfied that the activities of the Charity fall within principles one and two as set out in the Charity Commission guidance dated December 2008 and that the historical restrictions on entry are, in all prevailing circumstances, reasonable.

In setting objectives and planning for activities the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

Achievements and performance

• Compliance with the Governance and Financial Viability Standard

The Trustees undertake an annual assessment of their compliance with the Governance and Financial Viability Standard and confirm the entity's compliance with the Standard during the course of the year and up to the signing of the financial statements.

The Trustees have adopted the NHF Code of Governance 2020.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024**

Achievements and performance (continued)

● **Review of activities**

In pursuit of high standards with regard to its responsibilities to residents and staff, at least every three years, the Charity reviews its policies and procedures as part of a cyclical process of monitoring and improvement.

In line with recommendations of the Regulator of Social Housing and the Almshouses Association, the Charity has continued with programmes of planned maintenance and enhancement of the properties with funds accumulated for the purpose. The Trustees, having assessed the risks, are confident that high standards have been maintained whilst retaining sufficient resources to cover the costs of unexpected events.

Income - the financial statements reflect an overall increase in income of £160k which is largely due to a grant of £100k received from The Catherine Cookson Foundation to help fund the replacement boiler at Thomas Horsley House. Income from residents has also increased due to the annual increase in weekly contributions, lower voids and also the additional contribution towards the cost of utilities which is now being charged to residents.

Expenditure - the reported expenditure reflects the ongoing maintenance of the properties.

● **Investment policy and performance**

The Trustees have adopted a policy of seeking medium risk investments in order to generate income and achieve some capital growth. The charity remains a long term investor and, on professional advice, holds a diversified portfolio of equities, bonds and property with some cash.

The portfolio total return was +11.8% for the year to 31 March 2024 (2023: -5.9%). This compares with total returns for the following indices:

	Year to 31.03.24	Year to 31.03.23
BD Risk Category 6 Benchmark	+13.4%	- 1.4%
FTSE British Government All Stocks Index	0.0%	- 16.3%
Iboxx £ Corporate Bond Index	+ 7.4%	- 10.6%
FTSE All Share Index	+ 8.4%	+ 2.9%
FTSE All World Ex UK Index	+21.4%	- 0.9%
IA Property Index	- 3.5%	- 8.4%
IA Targeted Absolute Return Index	+ 6.3%	+ 0.3%

The Brewin Dolphin Risk Category 6 Benchmark comprises 3.5% UK Gilts, 2.5% UK Bonds, 11% Overseas Bonds, 19% UK Equities, 49.5% Overseas Equities, 3% Property, 9% Alternatives & 2.5% Cash.

2023 had started well and largely confounded forecasts with the global economy generally proving to be stronger than anticipated. The trends continued into the second quarter, essentially 2022's losers becoming 2023's winners as the technology sector bounced back from the previous year's rout. Growth and quality styles were at the forefront, although performance was mainly powered by a handful of mega-cap US tech stocks. The one topic the market became extremely excited about was artificial intelligence (AI). Overall, markets stabilised after the banking turmoil in March and the deficit in annual relative performance narrowed markedly this period as a dreadful first quarter of 2022 fell out of the calculation.

Thereafter, however, it was a struggle to make further progress and 2023 gains were pared back. July and August had already been fairly mixed and September proved to be typically weak as global markets faltered and led to the worst month for a year. Hopes for a broadening of the rally were not met and, instead, leadership changed, with energy taking over the mantle from technology companies. Easing inflation and upward surprises for growth had been supportive for most of the year but the dynamic changed and higher energy prices complicated those stories and became the latest conundrum for central banks.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024**

Achievements and performance (continued)

The weakness continued into the final quarter of 2023 before the most tangible signs of an easing in inflation came through and convinced investors that major Western central banks were moving closer to a much awaited pivot, from raising to cutting interest rates. As the end of the year approached, a 'Santa rally' compounded gains and saw global equity markets register a rise of over 15% from late October. The S&P 500 index traded close to a record, the NASDAQ 100 had its best year since 1999, and the global bond market saw its biggest two-month gain on record.

Markets have rallied strongly for the last 18 months and a positive quarter at the start of 2024 built on the gains from 2023. The S&P 500 reached new all-time highs and, from a technical perspective, it was encouraging to see evidence of leadership shifting from technology and growth stocks to a broader range of companies.

The US and Japan were well ahead of other regions although, for UK investors, returns from the latter have been affected throughout the year by significant weakness in the Yen. As investors switched out of value and income producing sectors the UK was a (relative) straggler and concerns over the Chinese economy saw Far East and emerging markets lag developed market returns significantly.

Since the step change in inflation data, early in November 2023, put central bank rate cuts firmly on the table relative performance has seen a noticeable boost. Whilst the pace and trajectory of easing is still uncertain, and there will always be many other forces that contribute to the to-ing and fro-ing in markets, we are confident that our approach will continue to see the benefit if global inflation continues on the current downward trend.

Financial review

• Going concern

Although Trustees did have some concern about the level of the income from the Estate Management Charity which is made up principally of funds from commercial lettings, they are satisfied that rental income is now made up as they would expect and therefore, they are satisfied that the Charity has the resources to continue in operation for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

• Reserves policy

It is the Trustees' policy to maintain free reserves at a level equating to around six months of charitable expenditure. At the year end the free reserves, after taking account of £250,000 designated for major planned property expenditure, stand at £273,287 (2023: £228,030). This level of free reserves is equivalent to approximately seven months' charitable expenditure and so is slightly above the targeted level.

• Financial review

In seeking to achieve the Charity's Objectives the Trustees monitor the level of void weeks i.e. weeks where a property is unoccupied. During the financial year there was the equivalent of 123 void weeks (252 in 2022/2023) amounting to a reduction of £10,578 (£19,516 in 2022/2023) on maximum contributions collectable. Arrears outstanding at the financial year end were £4,987 (2023: £4,647).

The income of the Charity for the year amounts to £571,306 (2023: £416,821) and operating costs of £455,546 (2023: £394,998) leaving a surplus of £115,760 (2023: £21,823) before taking account of realised and unrealised gains on investments. Note that the income this year includes a one off grant of £100,000 received from the Catherine Cookson Foundation towards the cost of the boiler at Thomas Horsley House.

THE HOSPITAL OF ST MARY THE VIRGIN (RYE HILL AND BENWELL) ALMSHOUSES CHARITY

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

● Principal funding

The consistent major sources of income of the Charity are from the St Mary the Virgin Estate Management Charity and weekly contributions from the residents. Both the Estate Management Charity and this Charity are constituted within the same scheme of the Charity Commissioners.

The Charity's legacy income from the Estate Management Charity has returned to previous levels and in addition the Almshouses have begun to fill the voids.

● Value for money

In accordance with the Value for Money Standard introduced by the Regulator of Social Housing in April 2018 we set out below the Charity's performance against our value for money targets by reference to a series of seven metrics set by the Regulator which seek to measure economy, efficiency and effectiveness.

Value for Money Metric	Target 2025	Actual 2024	Target 2024	Actual 2023
One - Reinvestment %	2.6%	9.0%	10.4%	4.4%

Commentary – the reinvestment percentage is calculated by reference to works to the existing properties divided by the net book value of housing properties at deemed cost. Within the pre-existing properties one new social housing unit was developed in the year in addition to some planned major repair works. There was no capitalised interest. The Trustees anticipate there will be another social housing unit developed on the 2025 year.

Two - New Supply %

Social housing units delivered	1.7%	1.7%	Nil	Nil
Non-social housing units delivered	Nil	Nil	Nil	Nil

Commentary – Within the pre-existing properties one new social housing unit was developed in the year and the Trustees plan to develop another social housing unit in 2025. The Trustees have no plans to deliver any non-social housing units.

Three - Gearing %	-2.6%	-4.4%	3.5%	-2.7%
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Commentary – previously the Charity had no debt and so a negative gearing figure is arrived at by dividing the Charity's cash at bank by the net book value of housing properties at deemed cost. The Trustees borrowed £100,000 from the Almshouses Association to assist with the finance of major repair works in 2024.

Four – EBITDA MRI Interest cover %	Nil	Nil	Nil	Nil
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Commentary – previously the Charity has no borrowing and as explained at three above the Trustees borrowed £100,000 as an interest free loan from the Almshouses Association.

Five – Headline social housing cost	£7,438	£9,854	£11,478	£7,301
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Commentary – the cost has increased in the year due to expenditure on major maintenance and repair works being incurred which are expected to reduce in 2025.

Six – Operating margin %

Overall = social housing lettings	-54.7%	-51.3%	-100.3%	-62.0%
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THE HOSPITAL OF ST MARY THE VIRGIN (RYE HILL AND BENWELL) ALMSHOUSES CHARITY

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

Commentary – the percentages are negative as a result of the Charity's income from other sources which means that it can subsidise the social housing which result in operating deficits. The negative percentage improved due to increased contributions to direct costs. While the Trustees anticipate that the Charity will continue to benefit from other sources of income being available to subsidise the social housing costs they expect to continue to receive contributions towards direct costs.

Seven – Return on capital employed % -5.8% -4.6% -9.5% -4.9%

Commentary – the percentages are negative as explained in metric six. The negative percentage reduced slightly due to an decrease in revenue primarily arising from a reduction in the voids.

The Trustees are unaware of any Registered Social Housing Providers with similar funding arrangements to this Charity and therefore believe that there are no meaningful benchmark comparisons available.

Structure, governance and management

• Constitution

The Hospital of St Mary the Virgin (Rye Hill and Benwell) Almshouses Charity is a registered charity, number 216275, and is constituted under a Trust deed.

The objective of the Charity is to provide inexpensive sheltered accommodation for poor men over the age of 50 years referred to as "residents".

The Charity scheme has been approved by the Charity Commissioners for England and Wales and is governed by the rules contained in the scheme dated 2 April 1979.

• Methods of appointment or election of Trustees

The Trustees comprise non-executive members with a wide range of commercial and professional experience.

The Trustees meet quarterly, setting and monitoring strategy and performance, ensuring adequate funding and formulating policy on key issues. In addition sub-committees meet between the main Trustees meetings to discuss strategy and review policies in their respective areas of skills and interest. Day to day management of the Charity is delegated to the Business Manager and Clerk to the Trustees.

The body of Trustees shall consist of:

- Three Nominative Trustees, one appointed by the Bishop of Newcastle and two by Newcastle upon Tyne City Council; and
- No fewer than seven Co-optive Trustees appointed by a resolution of the Almshouses Trustees passed at a special meeting.

The Trustees who served during the year are shown in the Reference and Administrative information.

The Trustees are encouraged to undertake professional training courses which most recently have been provided by Hempsons LLP.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024**

Structure, governance and management (continued)

• **Organisational structure and decision-making policies**

The Trustees are responsible for establishing and maintaining the Charity's system of internal financial control. Internal control systems are designed to meet the particular needs of the Charity and the risks to which it is exposed, and by their nature can provide reasonable but not absolute assurance against material misstatement or loss. The key procedures which the Trustees have established with a view to providing effective internal financial control are as follows:

- clearly defined management and reporting structures;
- detailed standing orders including limits on spending authority;
- management information and accounting systems with regular reporting of financial results;
- business planning process; and
- review of internal and external audit functions.

The Trustees regularly reviewed the effectiveness of the system of internal financial control as it operated during the year.

• **Policies adopted for the induction and training of Trustees**

Upon appointment Trustees are given copies of the Charity Commission Scheme, the accounts and the minutes of meetings of the Trustees. They are also supplied with the Charity Commission booklet in relation to the responsibility of Charity Trustees. Trustees are appointed for their particular skills in dealing with a Charity of this nature.

New Trustees will be requested to undergo DBS checks and to engage in periodic updating of safeguarding training.

• **Pay policy for staff**

All staff irrespective of seniority have annual salary reviews which have regard for benchmarking and other parameter. Where salary changes are granted they take effect from the following 1 April.

• **Financial risk management**

The Trustees have assessed the major risks to which the Charity is exposed, in particular those related to the operations and finances of the Charity, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks. The Trustees consider that the major factors likely to affect the future financial performance of the Charity are the levels of occupancy, weekly contributions levied and investment performance including the levels of income received from the St. Mary the Virgin Estate Management Charity.

Plans for future periods

The Trustees intent to maintain the existing accommodation units to a high standard and have carried out major repairs at Thomas Horsley House in 2024.

An additional unit has been made available at Rye Hill by conversion of the former Warden's accommodation and the Trustees intent to create a further unit at Thomas Horsley House again by conversion of the former Warden's accommodation in the next financial year.

THE HOSPITAL OF ST MARY THE VIRGIN (RYE HILL AND BENWELL) ALMSHOUSES CHARITY

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

Statement of Trustees' responsibilities

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 & 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 its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

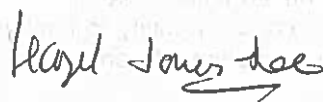
Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that the Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

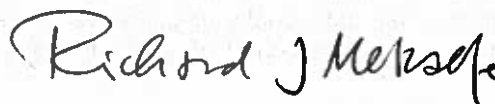
Auditors

The auditors, Kinnair Associates Limited, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees on 20 September 2024 and signed on their behalf by:



Dr Hazel Jones-Lee



Mr Richard Metcalfe

THE HOSPITAL OF ST MARY THE VIRGIN (RYE HILL AND BENWELL) ALMSHOUSES CHARITY

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE HOSPITAL OF ST MARY THE VIRGIN (RYE HILL AND BENWELL) ALMSHOUSES CHARITY

Opinion

We have audited the financial statements of The Hospital of St Mary the Virgin (Rye Hill and Benwell) Almshouses Charity (the 'charity') for the year ended 31 March 2024 which comprise the Statement of Financial Activities, the Income and Expenditure Account, the Balance Sheet, the Statement of Cash Flows and the related notes, 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).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2024 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Charities Act 2011, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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.

THE HOSPITAL OF ST MARY THE VIRGIN (RYE HILL AND BENWELL) ALMSHOUSES CHARITY

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE HOSPITAL OF ST MARY THE VIRGIN (RYE HILL AND BENWELL) ALMSHOUSES CHARITY (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

THE HOSPITAL OF ST MARY THE VIRGIN (RYE HILL AND BENWELL) ALMSHOUSES CHARITY

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE HOSPITAL OF ST MARY THE VIRGIN (RYE HILL AND BENWELL) ALMSHOUSES CHARITY (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 145 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 Auditors' 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:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the Charity through discussions with Trustees and other management, and from our commercial knowledge and experience of the registered social housing providers sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the Charity, including the Charities Act 2011 et seq., the Charities (Protection and Social Investment) Act 2016, the Trustees Acts 1925 and 2000, Charity Commission regulations and the Statement of Recommended Practice for Social Housing Providers 2018.
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- we ensured that the identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

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

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

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

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions; and
- assessed whether judgements and assumptions made in determining the accounting estimates set out in the notes to the financial statements are indicative of potential bias.

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

- agreeing financial statement disclosures to underlying supporting documentation;

THE HOSPITAL OF ST MARY THE VIRGIN (RYE HILL AND BENWELL) ALMSHOUSES CHARITY

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE HOSPITAL OF ST MARY THE VIRGIN (RYE HILL AND BENWELL) ALMSHOUSES CHARITY (CONTINUED)

- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators [Regulator of Social Housing] and the Charity's legal advisors.

There are inherent limitations in our anticipated audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the Trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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 Auditors' Report.

Use of our report

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

Kinnair Associates Limited

Kinnair Associates Limited
Chartered Accountants
Registered Auditor
Aston House
Redburn Road
Newcastle upon Tyne
NE5 1NB

20 September 2024

Kinnair Associates Limited are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

THE HOSPITAL OF ST MARY THE VIRGIN (RYE HILL AND BENWELL) ALMSHOUSES CHARITY

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2024

	Note	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income from:					
Donations and legacies	3	100,000	193,141	293,141	189,517
Charitable activities	4	-	263,310	263,310	215,593
Investments	5	-	14,855	14,855	11,711
Total income		100,000	471,306	571,306	416,821
Expenditure on:					
Raising funds	6	-	3,201	3,201	3,056
Charitable activities	7	-	452,345	452,345	391,942
Total expenditure		-	455,546	455,546	394,998
Net income before net gains/(losses) on investments		100,000	15,760	115,760	21,823
Net gains/(losses) on investments		-	43,766	43,766	(43,035)
Net income/(expenditure)		100,000	59,526	159,526	(21,212)
Transfers between funds	22	(100,000)	100,000	-	-
Net movement in funds		-	159,526	159,526	(21,212)
Reconciliation of funds:					
Total funds brought forward		-	2,737,179	2,737,179	2,758,391
Net movement in funds		-	159,526	159,526	(21,212)
Total funds carried forward		-	2,896,705	2,896,705	2,737,179

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 18 to 40 form part of these financial statements.

THE HOSPITAL OF ST MARY THE VIRGIN (RYE HILL AND BENWELL) ALMSHOUSES CHARITY

**SUMMARY INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2024**

	Note	Total funds 2024 £	Total funds 2023 £
Income		571,306	416,821
Gains/(losses) on investments		43,766	(43,035)
Gross income in the reporting period		615,072	373,786
Less: Total expenditure		(455,546)	(394,998)
Net income/(expenditure) for the reporting period		159,526	(21,212)

The notes on pages 18 to 40 form part of these financial statements.

THE HOSPITAL OF ST MARY THE VIRGIN (RYE HILL AND BENWELL) ALMSHOUSES CHARITY

**BALANCE SHEET
AS AT 31 MARCH 2024**

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	15	2,379,169	2,259,149
Investments	16	539,797	486,060
		<u>2,918,966</u>	<u>2,745,209</u>
Current assets			
Debtors	17	12,250	60,613
Cash at bank and in hand		204,154	61,741
		<u>216,404</u>	<u>122,354</u>
Creditors: amounts falling due within one year	18	(65,180)	(32,111)
Net current assets		<u>151,224</u>	<u>90,243</u>
Total assets less current liabilities		<u>3,070,190</u>	<u>2,835,452</u>
Creditors: amounts falling due after more than one year	19	(89,250)	-
Provisions for liabilities		(84,235)	(98,273)
Total net assets		<u><u>2,896,705</u></u>	<u><u>2,737,179</u></u>
Charity funds			
Unrestricted funds	22	2,896,705	2,737,179
Total funds		<u><u>2,896,705</u></u>	<u><u>2,737,179</u></u>

The financial statements were approved and authorised for issue by the Trustees on 20 September 2024 and signed on their behalf by:



Dr Hazel Jones-Lee



Mr Richard Metcalfe

The notes on pages 18 to 40 form part of these financial statements.

THE HOSPITAL OF ST MARY THE VIRGIN (RYE HILL AND BENWELL) ALMSHOUSES CHARITY

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2024**

	2024 £	2023 £
Cash flows from operating activities		
Net cash used in operating activities	250,758	42,686
Cash flows from investing activities		
Dividends, interests and rents from investments	14,855	11,711
Purchase of tangible fixed assets	(212,979)	(100,525)
Proceeds from sale of investments	59,999	31,250
Purchase of investments	(69,970)	(38,572)
Net cash used in investing activities	(208,095)	(96,136)
Cash flows from financing activities		
Cash inflows from new borrowing	105,000	-
Repayments of borrowing	(5,250)	-
Net cash provided by financing activities	99,750	-
Change in cash and cash equivalents in the year	142,413	(53,450)
Cash and cash equivalents at the beginning of the year	61,741	115,191
Cash and cash equivalents at the end of the year	204,154	61,741

The notes on pages 18 to 40 form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

1. General information

The Hospital of St Mary the Virgin (Rye Hill and Benwell) Almshouses Charity is a registered charity, number 216275. It is also registered under the Housing and Regeneration Act 2008 and its registered number is A1273. The Charity is unincorporated and its registered office is at 5 - 7 Osborne Terrace, Newcastle upon Tyne, NE2 1SQ.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention in accordance with the Housing SORP 2018: Statement of Recommended Practice (SORP) for Registered Social Housing Providers, the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011 and comply with the Accounting Direction for Private Registered Providers of Social Housing 2022.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Hospital of St Mary the Virgin (Rye Hill and Benwell) Almshouses Charity 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.

2.2 Going concern

The Trustees have considered the potential financial effects on the availability of cash and reserves and the consequent bearing on the use of the going concern basis of preparation of the financial statements. The Trustees have concluded that the Charity has sufficient cash and reserves to sustain it for the foreseeable future. The Trustees are therefore satisfied that it is appropriate for them to prepare these financial statements on the basis that the Charity continues to be a going concern.

2.3 Income

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

Social Housing Lettings, described as "contributions from residents", are accounted for on an accruals basis.

Income from cash deposits is accounted for on an accruals basis. Income from all other investments is taken into account on a receivable basis.

Income from the sister Charity, St Mary the Virgin Estate Management Charity, is recognised on a receivable basis.

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of

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

2. Accounting policies (continued)

2.3 Income (continued)

income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement 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.

Costs of generating funds are those costs incurred in attracting voluntary income.

Charitable activities and Governance costs are costs incurred on the upkeep and management of the two Almshouses including support costs and costs relating to the administration of the Charity and compliance with constitutional and statutory requirements.

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, e.g. allocating property costs by floor areas, or per capita, staff cost by the time spent and other costs by their usage.

Expenditure on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets are initially recognised at cost (or deemed cost) less depreciation.

As permitted by the Housing Association SORP 2014, the charitable trust elected to measure properties at their fair value on the date of transition to the SORP and use that fair value as deemed cost at that date.

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

2. Accounting policies (continued)

2.6 Tangible fixed assets and depreciation (continued)

Depreciation is not charged on freehold land. Depreciation on other tangible assets is provided at rates calculated to write off the cost of those assets, less their estimated residual value, over their estimated useful lives using the straight-line method.

Depreciation is provided on the following basis:

Freehold property	-	2%
Fixtures and fittings	-	10%
Freehold property improvements	-	7%

Depreciation on freehold property is based on their fair value at valuation at 1 April 2014. Freehold property is being depreciated over 50 years from the transition date (1 April 2014).

2.7 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of Financial Activities.

2.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.9 Cash at bank and in hand

Cash at bank and 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.

2.10 Liabilities

Liabilities and provisions are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

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

2. Accounting policies (continued)

2.11 Social housing 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.

2.12 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.13 Fund accounting

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.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

THE HOSPITAL OF ST MARY THE VIRGIN (RYE HILL AND BENWELL) ALMSHOUSES CHARITY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

3. Income from donations and legacies

	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £
Grants	100,000	-	100,000
St Mary the Virgin Estate Management Charity	-	193,141	193,141
	<u>100,000</u>	<u>193,141</u>	<u>293,141</u>

	<i>Unrestricted funds 2023 £</i>	<i>Total funds 2023 £</i>
Donations	2	2
St Mary the Virgin Estate Management Charity	189,515	189,515
	<u>189,517</u>	<u>189,517</u>

4. Income from charitable activities

	Unrestricted funds 2024 £	Total funds 2024 £
Contributions from residents	263,310	263,310
	<u>263,310</u>	<u>263,310</u>

Contributions from residents above includes £11,480 contribution towards utilities.

	<i>Unrestricted funds 2023 £</i>	<i>Total funds 2023 £</i>
Contributions from residents	215,593	215,593
	<u>215,593</u>	<u>215,593</u>

THE HOSPITAL OF ST MARY THE VIRGIN (RYE HILL AND BENWELL) ALMSHOUSES CHARITY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

5. Investment income

	Unrestricted funds 2024 £	Total funds 2024 £
Dividends and interest on investments	12,798	12,798
Bank deposit interest	2,057	2,057
	<u>14,855</u>	<u>14,855</u>
	Unrestricted funds 2023 £	Total funds 2023 £
Dividends and interest on investments	11,300	11,300
Bank deposit interest	411	411
	<u>11,711</u>	<u>11,711</u>

6. Investment management costs

	Unrestricted funds 2024 £	Total funds 2024 £
Investment management fees	<u>3,201</u>	<u>3,201</u>
	Unrestricted funds 2023 £	Total funds 2023 £
Investment management fees	<u>3,056</u>	<u>3,056</u>

THE HOSPITAL OF ST MARY THE VIRGIN (RYE HILL AND BENWELL) ALMSHOUSES CHARITY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

7. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2024 £	Total 2024 £
Direct costs - Provision of sheltered accommodation	452,345	452,345
	<hr/>	<hr/>
	<i>Unrestricted funds 2023 £</i>	<i>Total 2023 £</i>
Direct costs - Provision of sheltered accommodation	391,942	391,942
	<hr/>	<hr/>

8. Analysis of expenditure by activities

	Activities undertaken directly 2024 £	Support costs 2024 £	Total funds 2024 £
Direct costs - Provision of sheltered accommodation	398,289	54,056	452,345
	<hr/>	<hr/>	<hr/>
	<i>Activities undertaken directly 2023 £</i>	<i>Support costs 2023 £</i>	<i>Total funds 2023 £</i>
Direct costs - Provision of sheltered accommodation	349,327	42,615	391,942
	<hr/>	<hr/>	<hr/>

THE HOSPITAL OF ST MARY THE VIRGIN (RYE HILL AND BENWELL) ALMSHOUSES CHARITY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

8. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Direct costs - Provision of sheltered accommodation 2024 £	Total funds 2024 £
Staff costs	114,536	114,536
Depreciation	92,959	92,959
Water rates	16,638	16,638
Insurance	6,495	6,495
Lighting and heating	72,345	72,345
Repairs and maintenance	66,869	66,869
Upkeep of grounds	14,430	14,430
Cleaning and laundry	3,095	3,095
Warden call system	14,955	14,955
Sundries	2,505	2,505
Clerk's salary	7,500	7,500
Housing Association grant released	(14,038)	(14,038)
	398,289	398,289

THE HOSPITAL OF ST MARY THE VIRGIN (RYE HILL AND BENWELL) ALMSHOUSES CHARITY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

8. Analysis of expenditure by activities (continued)

Analysis of direct costs (continued)

	<i>Direct costs - Provision of sheltered accommodation 2023 £</i>	<i>Total funds 2023 £</i>
Staff costs	105,840	105,840
Depreciation	83,053	83,053
Water rates	15,632	15,632
Insurance	5,545	5,545
Lighting and heating	49,205	49,205
Repairs and maintenance	62,264	62,264
Upkeep of grounds	14,934	14,934
Cleaning and laundry	3,233	3,233
Warden call system	12,480	12,480
Sundries	3,686	3,686
Clerk's salary	7,493	7,493
Housing Association grant released	(14,038)	(14,038)
	<hr/> 349,327 <hr/>	<hr/> 349,327 <hr/>

THE HOSPITAL OF ST MARY THE VIRGIN (RYE HILL AND BENWELL) ALMSHOUSES CHARITY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Direct costs - Provision of sheltered accommodation 2024 £	Total funds 2024 £
Staff costs	21,836	21,836
Sundry expenses	945	945
Postage, stationery and advertising	5,878	5,878
Subscriptions	4,366	4,366
Bank charges	1,082	1,082
Consultancy and training	810	810
Office insurance	700	700
Professional fees	2,827	2,827
Loan arrangement fee	5,000	5,000
Governance costs	10,612	10,612
	54,056	54,056

	Direct costs - Provision of sheltered accommodation 2023 £	Total funds 2023 £
Staff costs	19,827	19,827
Sundry expenses	443	443
Postage, stationery and advertising	4,147	4,147
Subscriptions	4,012	4,012
Bank charges	846	846
Consultancy and training	90	90
Office insurance	687	687
Professional fees	3,045	3,045
Governance costs	9,518	9,518
	42,615	42,615

THE HOSPITAL OF ST MARY THE VIRGIN (RYE HILL AND BENWELL) ALMSHOUSES CHARITY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

Governance costs included above comprise:

	2024	2023
	£	£
Auditors remuneration	7,512	7,620
Clerk's fees	2,500	2,498
	10,012	10,118

THE HOSPITAL OF ST MARY THE VIRGIN (RYE HILL AND BENWELL) ALMSHOUSES CHARITY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

9. Schedule of outgoings on properties - 31 March 2024

	Rye Hill Homes	Thomas Horsley House	2024
	£	£	£
Water rates	5,762	10,876	16,638
Insurance	2,742	3,753	6,495
Lighting and heating	30,278	42,067	72,345
Repairs and maintenance	30,524	36,345	66,869
Upkeep of grounds	5,396	9,034	14,430
Cleaning and laundry	480	2,615	3,095
Warden call system	4,823	10,132	14,955
Sundries	722	1,783	2,505
Clerk's fees	3,269	4,231	7,500
Housing Association grant received	-	(14,038)	(14,038)
Wages and salaries	45,844	68,692	114,536
Depreciation	43,768	49,191	92,959
	<u>173,608</u>	<u>224,681</u>	<u>398,289</u>

Schedule of outgoings on properties - 31 March 2023

	Rye Hill Homes	Thomas Horsley House	2023
	£	£	£
Water rates	5,351	10,281	15,632
Insurance	2,395	3,150	5,545
Lighting and heating	17,967	31,238	49,205
Repairs and maintenance	26,395	35,869	62,264
Upkeep of grounds	5,270	9,664	14,934
Cleaning and laundry	621	2,612	3,233
Warden call system	3,783	8,697	12,480
Sundries	1,537	2,149	3,686
Clerk's fees	3,246	4,247	7,493
Housing Association grant received	-	(14,038)	(14,038)
Wages and salaries	41,005	64,835	105,840
Depreciation	43,768	39,285	83,053
	<u>151,338</u>	<u>197,989</u>	<u>349,327</u>

THE HOSPITAL OF ST MARY THE VIRGIN (RYE HILL AND BENWELL) ALMSHOUSES CHARITY

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

10. Auditors' remuneration

	2024 £	2023 £
Fees payable to the Charity's current auditor for the audit of the Charity's annual accounts	6,260	5,850

11. Staff costs

	2024 £	2023 £
Wages and salaries	127,755	121,842
Social security costs	8,617	3,825
	136,372	125,667

The average number of persons employed by the Charity during the year was as follows:

	2024 No.	2023 No.
Number of employees	8	7

The average headcount expressed as full-time equivalents was:

	2024 No.	2023 No.
Number of employees	5	5

No employee received remuneration amounting to more than £60,000 in either year.

Key management remuneration, being costs relating to the Manager and the Clerk to the Trustees, amounted to £46,478 (2023: £44,577).

12. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2023 - £NIL).

During the year ended 31 March 2024, no Trustee expenses have been incurred (2023 - £NIL).

THE HOSPITAL OF ST MARY THE VIRGIN (RYE HILL AND BENWELL) ALMSHOUSES CHARITY

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

13. Net (losses)/gains on investments

	2024 £	2023 £
Losses on disposal of share investment assets	(584)	(4,053)
Gains/(losses) on revaluations of share investment assets	44,350	(38,982)
	<u>43,766</u>	<u>(43,035)</u>

14. Income from lettings

	2024 £	2023 £
Maximum contributions receivable	262,408	235,109
Less: Voids	(10,578)	(19,516)
	<u>251,830</u>	<u>215,593</u>

Number of units

The units of accommodation for disadvantaged people let at social rent are: -

	2024 Number	2023 Number
Thomas Horsley House	40	40
Rye Hill	19	18
	<u>59</u>	<u>58</u>

One extra flat was created at Rye Hill during the year as a result of the existing Warden's office being split between an office and a residential unit.

The Charity, being an almshouse charity, does not create any form of assured tenancy in favour of residents. The position is made clear to each resident when they take up occupation of any property owned by the Charity.

THE HOSPITAL OF ST MARY THE VIRGIN (RYE HILL AND BENWELL) ALMSHOUSES CHARITY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

15. Tangible fixed assets

	Freehold property £	Fixtures and fittings £	Total £
Cost or valuation			
At 1 April 2023	2,690,550	364,240	3,054,790
Additions	-	212,979	212,979
At 31 March 2024	<u>2,690,550</u>	<u>577,219</u>	<u>3,267,769</u>
Depreciation			
At 1 April 2023	545,035	250,606	795,641
Charge for the year	72,950	20,009	92,959
At 31 March 2024	<u>617,985</u>	<u>270,615</u>	<u>888,600</u>
Net book value			
At 31 March 2024	<u>2,072,565</u>	<u>306,604</u>	<u>2,379,169</u>
At 31 March 2023	<u>2,145,515</u>	<u>113,634</u>	<u>2,259,149</u>

Included in freehold property, plant and equipment is freehold land at deemed cost of £450,000 (2023 - £450,000) which is not depreciated and freehold buildings at deemed cost of £1,900,000 (2023 - £1,900,000). The Freehold Properties were revalued by Woodruff & Co. Chartered Surveyors using a fair value basis valuation to establish a deemed cost on transition to FRS102 and the Statement of Recommended Practice for Social Housing Providers 2014.

The historic cost of these properties is £981,266 which comprises £195,594 for the revitalisation of Rye Hill and £785,672 for the construction of Thomas Horsley House.

THE HOSPITAL OF ST MARY THE VIRGIN (RYE HILL AND BENWELL) ALMSHOUSES CHARITY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

16. Fixed asset investments

	Listed investments £	Other fixed asset investments £	Total £
Cost or valuation			
At 1 April 2023	464,674	21,386	486,060
Additions	69,970	-	69,970
Disposals	(49,062)	(11,521)	(60,583)
Revaluations	44,350	-	44,350
At 31 March 2024	<u>529,932</u>	<u>9,865</u>	<u>539,797</u>
Net book value			
At 31 March 2024	<u>529,932</u>	<u>9,865</u>	<u>539,797</u>
At 31 March 2023	<u>464,674</u>	<u>21,386</u>	<u>486,060</u>

All the fixed asset investments are held in the UK.

17. Debtors

	2024 £	2023 £
Due within one year		
Trade debtors	4,987	4,647
St Mary the Virgin Estate Management Charity	-	36,775
Prepayments and accrued income	7,263	19,191
	<u>12,250</u>	<u>60,613</u>

Trade debtors represent gross social housing rent arrears.

THE HOSPITAL OF ST MARY THE VIRGIN (RYE HILL AND BENWELL) ALMSHOUSES CHARITY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

18. Creditors: Amounts falling due within one year

	2024 £	2023 £
Other loans	10,500	-
Trade creditors	9,031	2,562
Other creditors	4,144	-
Accruals and deferred income	41,505	29,549
	<u>65,180</u>	<u>32,111</u>

19. Creditors: Amounts falling due after more than one year

	2024 £	2023 £
Other loans	89,250	-

Included within the above are amounts falling due as follows:

	2024 £	2023 £
Between one and two years		
Other loans	10,500	-
Between two and five years		
Other loans	31,500	-
Over five years		
Other loans	47,250	-

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	2024 £	2023 £
Payable or repayable by instalments	47,250	-
	<u>47,250</u>	<u>-</u>

THE HOSPITAL OF ST MARY THE VIRGIN (RYE HILL AND BENWELL) ALMSHOUSES CHARITY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

20. Financial Instruments

	2024	2023
	£	£
Financial assets		
Financial assets measured at fair value through income and expenditure	204,154	464,674

Financial assets measured at fair value through income and expenditure comprise quoted investments stated at market value.

21. Accruals and deferred income

	2024	2023
	£	£
Government Grants	84,235	98,273

On transition to the accounting policies, required by the Statement of Recommended Practice for Social Housing Providers 2014, the element of the Social Housing Grant relating to Thomas Horsley House which was still to be released to the Statement of Financial Activities was transferred to accruals and deferred income to be released over the estimated useful life of the building at the time of the expenditure (which was 50 years).

The remainder of this grant together with the full Social Housing Grant received for refurbishment of Rye Hill has been taken to unrestricted funds to reflect the value of the grants that in accordance with the requirements of the Statement of Recommended Practice for Social Housing Providers 2014 would have been released to the Statement of Financial Activities if those accounting requirements had been in place from the time of the expenditure.

The amounts shown as deferred income are included in the amounts disclosed as contingent liabilities.

THE HOSPITAL OF ST MARY THE VIRGIN (RYE HILL AND BENWELL) ALMSHOUSES CHARITY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

22. Statement of funds

Statement of funds - current year

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2024 £
Unrestricted funds						
Revaluation reserve	698,640	-	-	(12,627)	-	686,013
Major planned expenditure reserve	250,000	-	-	-	-	250,000
General Funds	1,788,539	471,306	(455,546)	112,627	43,766	1,960,692
	<u>2,737,179</u>	<u>471,306</u>	<u>(455,546)</u>	<u>100,000</u>	<u>43,766</u>	<u>2,896,705</u>
Restricted funds						
Catherine Cookson Foundation	-	100,000	-	(100,000)	-	-
Total of funds	<u>2,737,179</u>	<u>571,306</u>	<u>(455,546)</u>	<u>-</u>	<u>43,766</u>	<u>2,896,705</u>

The grant of £100,000 from the Catherine Cookson Foundation was to help fund the purchase of a new boiler at Thomas Horsley House. Once the boiler was purchased and commissioned it was transferred to General Funds.

THE HOSPITAL OF ST MARY THE VIRGIN (RYE HILL AND BENWELL) ALMSHOUSES CHARITY

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

22. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2023 £
Unrestricted funds						
Revaluation reserve	711,267	-	-	(12,627)	-	698,640
Major planned expenditure reserve	250,000	-	-	-	-	250,000
General Funds	1,797,124	416,821	(394,998)	12,627	(43,035)	1,788,539
	<u>2,758,391</u>	<u>416,821</u>	<u>(394,998)</u>	<u>-</u>	<u>(43,035)</u>	<u>2,737,179</u>

23. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	2,379,169	2,379,169
Fixed asset investments	539,797	539,797
Current assets	216,404	216,404
Creditors due within one year	(65,180)	(65,180)
Creditors due in more than one year	(89,250)	(89,250)
Provisions for liabilities and charges	(84,235)	(84,235)
Total	<u>2,896,705</u>	<u>2,896,705</u>

THE HOSPITAL OF ST MARY THE VIRGIN (RYE HILL AND BENWELL) ALMSHOUSES CHARITY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

23. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior period

	<i>Unrestricted funds 2023 £</i>	<i>Total funds 2023 £</i>
Tangible fixed assets	2,259,149	2,259,149
Fixed asset investments	486,060	486,060
Current assets	122,354	122,354
Creditors due within one year	(32,111)	(32,111)
Provisions for liabilities and charges	(98,273)	(98,273)
Total	<u><u>2,737,179</u></u>	<u><u>2,737,179</u></u>

24. Reconciliation of net movement in funds to net cash flow from operating activities

	2024 £	2023 £
Net income/expenditure for the period (as per Statement of Financial Activities)	<u>159,526</u>	<u>(21,212)</u>
Adjustments for:		
Depreciation charges	92,959	83,053
Losses/(gains) on investments	(43,766)	43,035
Dividends, interests and rents from investments	(14,855)	(11,711)
Decrease/(increase) in debtors	48,363	(24,377)
Increase/(decrease) in creditors	22,569	(12,064)
Release of grant	(14,038)	(14,038)
Net cash provided by operating activities	<u><u>250,758</u></u>	<u><u>42,686</u></u>

25. Analysis of cash and cash equivalents

	2024 £	2023 £
Cash in hand	<u>204,154</u>	<u>61,741</u>
Total cash and cash equivalents	<u><u>204,154</u></u>	<u><u>61,741</u></u>

THE HOSPITAL OF ST MARY THE VIRGIN (RYE HILL AND BENWELL) ALMSHOUSES CHARITY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

26. Analysis of changes in net debt

	At 1 April 2023	Cash flows	At 31 March 2024
	£	£	£
Cash at bank and in hand	61,741	142,413	204,154
Debt due within 1 year	-	(10,500)	(10,500)
Debt due after 1 year	-	(89,250)	(89,250)
	<u>61,741</u>	<u>42,663</u>	<u>104,404</u>

27. Contingent liabilities

The charitable trust has in earlier years received Social Housing Grants from the precursor of the Regulator of Social Housing to fund the purchase and refurbishment of freehold properties as follows:

Thomas Horsley House £701,923; and
Rye Hill £193,097.

There is no time limit for repayment of these grants if a relevant event occurs to trigger repayment. Such events would include the properties being sold, a change of use or if the registered housing provider were to de-register. The Trustees do not anticipate any of these events occurring in the foreseeable future. An unexpired portion of the grant is included in deferred income.

28. Operating lease commitments

At 31 March 2024 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2024	2023
	£	£
Not later than 1 year	2,678	2,476
Later than 1 year and not later than 5 years	6,086	6,874
Later than 5 years	1,130	2,317
	<u>9,894</u>	<u>11,667</u>

The following lease payments have been recognised as an expense in the Statement of Financial Activities:

	2024	2023
	£	£
Operating lease rentals	<u>2,546</u>	<u>2,297</u>

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

29. Related party transactions

The Charity is constituted under a Trust Deed called the Hospital of Saint Mary the Virgin, in the City of Newcastle upon Tyne, in the County of Tyne and Wear.

It is organised into two separate Charities named the Hospital of St. Mary the Virgin (Rye Hill and Benwell) Almshouses Charity referred to as the "Almshouses Charity" and the St. Mary the Virgin Estate Management Charity referred to as the "Estate Management Charity".

Income received by this Charity from the Estate Management Charity is shown on the Statement of Financial Activities. The amount due from the Estate Management Charity at the year end is shown in debtors due within one year.

Tim Gray (Clerk to the Trustees) is a consultant to Mincoffs solicitors. During the year ended 31 March 2024, Mincoffs provided legal services to the Charity amounting to £2,340 (2023: £2,340).