Charity number: 212828

Richard Watts and the City of Rochester Almshouse Charities

Trustees' report and financial statements

for the year ended 31 December 2025

Richard Watts and the City of Rochester Almshouse Charities

Contents

	Page
Reference and administrative details of the Charity, its Trustees and advisers	1 - 2
Trustees' report	3 - 8
Independent auditors' report on the financial statements	9 - 12
Statement of financial activities	13
Balance sheet	14
Statement of cash flows	15
Notes to the financial statements	16 - 38

Richard Watts and the City of Rochester Almshouse Charities

Reference and administrative details of the Charity, its Trustees and advisers for the year ended 31 December 2025

Trustees

Alex Clarabut
Shirley Gurteen
Colin McCarthy
Keith Povey
Linda Reay
Peter James Smith
Timothy Newman
Carolyn Mary Sims
Richard Patteson-Knight
Ruth Curry (resigned 6 November 2025)

Charity registered number

212828

Principal office

Administrative Offices
Watts Almshouses
Maidstone Road
Rochester
Kent
ME1 1SE

Chief executive officer

Martin Sissons

Independent auditors

Kreston Reeves Audit LLP
Statutory Auditor
Maritime Place
Quayside
Chatham Maritime
Chatham
Kent
ME4 4QZ

Bankers

Barclays Business Banking
263-265 High Street
Chatham
Kent
ME4 4BZ

CCLA Investment Management
1 Angel Lane
London
EC4R 3AB

Reference and administrative details of the Charity, its Trustees and advisers (continued) for the year ended 31 December 2025

Solicitors

Brachers LLP
Somerfield House
59 London Road
Maidstone
Kent
ME16 8JH

Stockbrokers

Canaccord Genuity Wealth Ltd
41 Lothbury
London
EC2R 7AE

Chartered Valuation Surveyors

Sibley Pares Chartered Surveyors
1 Ashford Road
Maidstone
Kent
ME13 5BJ

Insurance Brokers

Erskine Murray Ltd
MW House
1 Penman Way
Grove Park
Leicester
LE19 1SY

Trustees' report
for the year ended 31 December 2025

The Trustees present their annual report together with the audited financial statements of the Richard Watts and the City of Rochester Almshouse Charities (the "Charity") for the year ended 31 December 2025.

Objectives and activities

a. Policies and objectives

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)'.

The charity is regulated by a Scheme of the Charity Commissioners (see "Constitution" section on page 7), which provides for the net income, after payment of certain specified expenses, to be applied by the Trustees for the benefit of the residents of the Almshouses or for relief in sickness or in need of persons resident in the area formerly known as the City of Rochester (hereafter called "the City"). A subsequent Charity Commission Scheme dated 23 August 2016 states that "the City" includes those who are resident in postcode areas ME1 and ME2.

There have been no changes in the Charity's objectives since the last annual report.

b. Grant making policies

The Scheme states that the Charity can only accept applications for funding of projects and grants from within the ME1 and ME2 postcode areas and from those assisting persons resident in these postcode areas.

Achievements and performance

Review of activities

The Charities, which have now been in operation in the ME1 and ME2 area of Medway in Kent for almost 450 years, continue to thrive under the governance of a Board of mostly local Trustees.

The aims and objectives of the organisation are to help those in need to have access to affordable housing when they reach state retirement age and that those in need in the local community are supported either directly or indirectly through other organisations.

Trustees' report (continued)
for the year ended 31 December 2025

(continued)

a. Review of activities cont.

Until the 31st of March 2025, the organisation managed 67 Almshouses which are on four different sites in central Rochester. To qualify for the Almshouses, applicants needed to meet the following criteria.

- Be resident in ME1 or ME2 or looking to move back to be closer to family.
- Be of state pensionable age
- Be in good health and be able to live independently.
- Have a low income and have savings below a set amount.
- To not own their own property

In addition, the organisation supports local people through the delivery of a number of different services for those most in need in ME1 and ME2. These include:

- Grants to organisations
- Grants to families and others in need
- Grants to local schools
- A Home Help service

We are incredibly proud of our 450-year history and of our benefactor, Richard Watts, who set up the first charity during the reign of Queen Elizabeth I. The charities have continued to evolve during our long history and we are now taking further steps to modernise the charities, adopting the latest governance structure recommended by the Charity Commission, thereby ensuring we are fit for another 450 years. Concurrently, we have reviewed our Strategy and have applied to the Charity Commission to extend our geographical reach to the whole of Medway, to allow us to try and help more beneficiaries while ensuring our services are still relevant and needed in the local community.

In 2024 Richard Watts and the City of Rochester Almshouse Charities, took the decision to establish the new charity Richard Watts Charities CIO which incorporated in September 2024. Much of 2025 was spent transferring activities, contracts, staff, and assets from the original charity to the newly created CIO.
The official date of transfer was 31st March 2025 and so effectively all service delivery transferred to the new organisation on that day.

Operational Delivery

The delivery of all services and staff was transferred to the CIO on 31st March 2025.

Overview

The results for the 3 month period to 31 March 2025 show a deficit on unrestricted funds before investment gains and the transfer out of £133,001 and a increase on endowment funds of £148 meaning that there is an overall deficit before investments gains and transfer of £132,853 (2024: 12 month period £169,442).

Funding our work

The organisation is self-funding through investments. These investments take a variety of forms and range from stocks and shares to commercial properties. The investment income funds the services we deliver to the local community and support the operations of the Almshouses, the provision of which is heavily subsidised by the organisation.

The attached Accounts provide detailed information about the organisation's financial performance.

Trustees' report (continued)
for the year ended 31 December 2025

(continued)

b. Safeguarding

Prioritising safeguarding is fundamental to the way the Charity operates. Whether it is how residents are treated by staff with daily checks on their wellbeing or looking after their long term best interests when they are facing illness, including dementia, or whether it is the attitude of Trustees and the decisions they take when assessing grant applicants or even the way Site staff deal with tenants at rental properties who are experiencing difficulties, safeguarding and protecting people come first. Health and safety permeates every aspect of the organisation.

c. Investment policy and performance

The principal objective is to invest funds for capital growth whilst maintaining income levels sufficient to assist in meeting the expenditure of the Charity and the minimum level of reserves. To assist in the objective, the Board of Trustees appoints advisers upon such terms as deemed appropriate to make recommendations as to the sale and/or purchase of investment holdings. Should the likely income be more than sufficient to meet the above requirements then consideration may be given to investing a proportion of the available funds in more growth orientated funds with a switch back to greater income producing funds should the need arise.

The Trustees regularly review the investment returns and actual income and expenditure against budgets.

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence 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.

b. Reserves policy

The 'reserves' of the Charity are the resources that are available to spend on the Charity's purposes once all commitments have been met and planned expenditure covered. They do not include the Endowment or Designated Funds.

The balance of the reserves is maintained in the Unrestricted Income Funds as adjusted for the surplus for the year after transfers. The Charity has a commitment to maintain its properties in good repair, to apply the Charity's income for the benefit of the Almshouse residents and to meet reasonable requests under grant making provisions. To ensure that those commitments may continue to be met should there be a temporary fall in Property and/or Investment Income and/or the need for unplanned expenditure, it is the Trustees' policy that the balance of the Unrestricted Income Funds be maintained between 6 months' and one year's running costs.

Such range is based on past experience and forward financial projections over the next five year period. It is the responsibility of the Finance and Investment Committee to consider that range annually based on the updated five year projections and any agreed development plans and make any appropriate recommendations to the Board of Trustees.

At 31 December 2025 the general reserves amounted to £Nil (see note 20).

Endowment Funds

These comprise the Permanent Endowments of the Charity.

Designated Funds

Cyclical Maintenance Fund
Established under the Charity Commissioner's Scheme to provide for the ordinary maintenance of the Poor Traveller's House and the Almshouses belonging to the Charity.

Extraordinary Repairs Fund
Established compulsorily under the Charity Commissioner's Scheme to provide for the extraordinary repair, improvement or rebuilding of the Poor Traveller's House and the Almshouses.

General Repairs Fund
Established voluntarily under the Charity Commissioner's Scheme to provide for the extraordinary repair, improvement or rebuilding of the property belonging to the charities other than the Almshouses.

Planned Maintenance Fund
Established in 1985 in accordance with provisions in the leases to provide for the maintenance, major repair and refurbishment works to certain properties in the High Street, Chatham. The fund comprises leaseholders' service charge payments.

Memorial Fund
Established voluntarily in 2014, this fund comprises legacies and in memoriam gifts to be applied to projects for the enjoyment of residents and staff.

Poor Travellers' House Fund
This fund comprises donations received at the House which are applied to the acquisition of small items for the House and garden.

Apprenticeship Support Fund
This fund comprises a grant received towards work with apprentices.

Structure, governance and management

a. Constitution

The Charity was originally founded under the will of Richard Watts in 1579. It is regulated by a Scheme of the Charity Commissioners dated 29 November 1977 when the Charities of Richard Watts, Sir John Hayward's Almshouses and St. Catherine's Hospital were grouped for administration purposes. The Charity is linked with the Sir John Hayward and Richard Watts Educational Charities and the William Mantle Trust following an order issued by the Charity Commission in 2015. The Charity Commission amended the Scheme on 23 August 2016 to clarify that any reference to the City of Rochester includes those who are resident in postcode areas ME1 and ME2. Finally, in January 2018, the Charity Commission agreed that those people who wished to return to Rochester to be close to their friends and family in their old age, but who at the time of applying do not themselves live within ME1 or ME2, could be considered.

b. Methods of appointment or election of Trustees

The management of the Charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Charity Commission Scheme.

c. Organisational structure and decision-making policies

The current governance structure is based on a committee structure which is outlined below.

In addition to full board meetings and an AGM, the following committees met at regular intervals through the year.

- Estates

Structure, governance and management (continued)

- Finance and Investment
- House and Grants
- Remuneration and Staffing

The current governance structure has been slimmed down due to the transfers to the CIO and now consists of regular board meetings.

One of our Trustees, Ruth Curry, stepped down for her role in November 2025, and we would like to extend our sincere thanks to Ruth for her contribution to the organisation.

Each Committee focusses on a specific area of operation for the organisation and advises both the Board and the CEO regarding major operational and strategic decisions.

The organisation also employs a number of professional advisors to provide expert and relevant advice regarding operations and strategy.

In addition, the organisation has been guided through the incorporation process by Furley Page LLP

d. Policies adopted for the induction and training of Trustees

All Trustees are encouraged to attend training courses and seminars on a regular basis. All Trustees have Trustee Handbooks that they keep up to date with all relevant policies, accounts and other background information about the Charity.

e. Related party relationships

Trustees regularly "declare an interest" as appropriate and all have completed the questionnaire.

f. Risk management

The Trustee Board monitor risks at every Board and Committee Meeting with new risks being identified and agreed mitigation being reported upon. Each quarter one particular risk on the risk register is reviewed in detail to ensure organisational risks are being monitored and managed effectively.

Operational risks are managed through the senior management team for the organisation.

Trustees' report (continued)
for the year ended 31 December 2025

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 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 judgements 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.

Auditors

The audit registration of Kreston Reeves LLP was transferred to Kreston Reeves Audit LLP on 6 October 2025. Kreston Reeves Audit LLP were formally appointed as auditor to the company on 6 October 2025.

The auditors, Kreston Reeves Audit LLP, have indicated their willingness to continue in office. The designated Governors will propose a motion reappointing the auditors at a meeting of the Governors.

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

Timothy Newman
Chair

Date: 8th October 2026

Independent auditors' report to the Trustees of Richard Watts and the City of Rochester Almshouse Charities

Opinion

We have audited the financial statements of Richard Watts and the City of Rochester Almshouse Charities (the 'charity') for the year ended 31 December 2025 which comprise the Statement of financial activities, 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).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2025 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

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.

Independent auditors' report to the Trustees of Richard Watts and the City of Rochester Almshouse Charities (continued)

Matters on which we are required to report by exception

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

- the information given in the 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; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, set out on page 10, 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 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.

Independent auditors' report to the Trustees of Richard Watts and the City of Rochester Almshouse Charities (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:

Capability of the audit in detecting irregularities, including fraud

The objectives of our audit are to identify and assess the risks of material misstatement of the financial statements due to fraud or error; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud or error; and to respond appropriately to those risks.

Based on our understanding of the charity and the charitable sector generally, and through discussion with the trustees and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to health and safety, GDPR and employment law. We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charity SORP 2019 and other charity legislation. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. We evaluated Trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks related to fraudulently or erroneously amending income and expenditure levels. Audit procedures performed by the engagement team included:

- Discussions with management and Trustees and assessment of known or suspected instances of non-compliance with laws and regulations (including health and safety) and fraud; and
- Assessment of identified fraud risk factors; and
- Performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Identifying and testing journal entries, in particular any manual entries made at the year end for financial statement preparation; and
- Conducting interviews with appropriate personnel to gain further insight into the control systems implemented, and the risk of irregularity; and
- Challenging assumptions and judgements made by management in its significant accounting estimates; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Reading minutes of meetings of those charged with governance; and
- Physical inspection of tangible assets susceptible to fraud or irregularity; and
- Review of significant and unusual transactions and evaluation of the underlying financial rationale supporting the transactions.

Independent auditors' report to the Trustees of Richard Watts and the City of Rochester Almshouse Charities (continued)

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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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.

Kreston Reeves Audit LLP

Kreston Reeves Audit LLP

Statutory Auditor

Chatham Maritime

Date: 09 October 2026

Kreston Reeves Audit LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

Statement of financial activities
for the year ended 31 December 2025

	Note	Unrestricted funds 2025 £	Endowment funds 2025 £	Total funds 3 Months 2025 £	Total funds 12 Months 2024 £
Income and endowments from:					
Donations and legacies	4	**163**	**-**	**163**	39,204
Charitable activities	5	**119,477**	**-**	**119,477**	402,637
Investments	6	**257,095**	**2,688**	**259,783**	1,052,721
Other income	7	**-**	**-**	**-**	50,000
Total income and endowments		**376,735**	**2,688**	**379,423**	1,544,562
Expenditure on:					
Raising funds	8,9	**106,076**	**-**	**106,076**	408,981
Charitable activities	13	**403,660**	**2,540**	**406,200**	1,305,023
Net asset transfer on incorporation	11	**1,539,216**	**25,348,414**	**26,887,630**	-
Total expenditure		**2,048,952**	**25,350,954**	**27,399,906**	1,714,004
Net expenditure before net (losses)/gains on investments		**(1,672,217)**	**(25,348,266)**	**(27,020,483)**	(169,442)
Net gains/(losses) on investments		**(55,560)**	**(207,044)**	**(262,604)**	898,451
Net movement in funds		**(1,727,777)**	**(25,555,310)**	**(27,283,087)**	729,009
Reconciliation of funds:					
Total funds brought forward		**1,727,777**	**25,555,310**	**27,283,087**	26,554,078
Net movement in funds		**(1,727,777)**	**(25,555,310)**	**(27,283,087)**	729,009
Total funds carried forward		**-**	**-**	**-**	27,283,087

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 16 to 38 form part of these financial statements.

Balance sheet
as at 31 December 2025

	Note		2025 £		2024 £
Fixed assets					
Tangible assets	16		-		3,476,123
Investments	18		-		7,338,801
Investment property	17		-		15,028,278
			-		25,843,202
Current assets					
Debtors	19	-		388,371	
Cash at bank and in hand	26	-		1,339,011	
		-		1,727,382	
Creditors: amounts falling due within one year	20	-		(243,003)	
Net current assets			-		1,484,379
Creditors: amounts falling due after more than one year	21		-		(44,494)
Net assets			-		27,283,087
Charity funds					
Endowment funds	22		-		25,555,310
Unrestricted funds	22		-		1,727,777
Total funds			-		27,283,087

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

Timothy Newman
Chair

Date: 8th October 2026

The notes on pages 16 to 38 form part of these financial statements.

Statement of cash flows
for the year ended 31 December 2025

	Note	3 Months 2025 £	12 Months 2024 £
Cash flows from operating activities			
Net cash used in operating activities	25	**(1,620,910)**	(1,335,118)
Cash flows from investing activities			
Dividends, interests and rents from investments		**259,783**	1,052,721
Proceeds from sale of investments		**391,840**	2,465,474
Purchase of investments		**(377,296)**	(2,178,961)
Loss on disposal of investments		**7,572**	-
Net cash provided by investing activities		**281,899**	1,339,234
Change in cash and cash equivalents in the year		**(1,339,011)**	4,116
Cash and cash equivalents at the beginning of the year		**1,339,011**	1,334,895
Cash and cash equivalents at the end of the year	26	**-**	1,339,011

The notes on pages 16 to 38 form part of these financial statements

Notes to the financial statements for the year ended 31 December 2025

1. General information

Richard Watts and the City of Rochester Almshouse Charities is a Charity registered in England. The Charity's registered address is Administrative Offices, Watts Almshouses, Maidstone Road, Rochester, Kent ME1 1SE.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

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.

Richard Watts and the City of Rochester Almshouse Charities 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 financial statements have been prepared on a going concern basis in accordance with section 3 of FRS 102 and the requirements of the Charities SORP (FRS 102).

The trustees are aware that this is the charity's final accounting period in its unincorporated form. On 1 April 2025, the charity transferred all of its assets and liabilities to Richard Watts CIO, a charitable incorporated organisation established to continue the same charitable purposes. From that date, the unincorporated charity ceased its activities and no longer carried out charitable operations in its own right.

In assessing the appropriateness of the going concern basis, the trustees have considered the charity's financial position and cash flows up to the date of transfer, and the planned and orderly transfer of all operations, assets and liabilities to the CIO. Up to 1 April 2025, the charity operated as normal and was able to meet its liabilities as they fell due. At the date of transfer, all assets and liabilities were transferred at book value to Richard Watts CIO, and no material obligations remained within the unincorporated charity.

Although the charity will not continue to operate in its existing legal form beyond the date of incorporation, until all land registry transfers are complete, the trustees consider that the going concern basis remains appropriate for the preparation of these financial statements, as the charity was not being wound up without continuation of its activities, but rather converted into a new legal form. Accordingly, the accounts have been prepared on a going concern basis and do not include adjustments that would be required if the charity were considered to be a non going concern

Notes to the financial statements
for the year ended 31 December 2025

2. Accounting policies (continued)

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.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Charity, can be reliably measured.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

Notes to the financial statements
for the year ended 31 December 2025

2. Accounting policies (continued)

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.

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.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

2.5 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 'Net Gains/(Losses) on investments' in the Statement of financial activities.

2.6 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.

2.7 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.

2.8 Liabilities and provisions

Liabilities 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.

2.9 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.

2.10 Pensions

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

Notes to the financial statements
for the year ended 31 December 2025

2. Accounting policies (continued)

2.11 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.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the Trustees' Report.

Endowment funds comprise the permanent endowments of the Charity.

2.12 Freehold properties - Almshouses

Freehold properties are included at valuation as at 1 January 1973 or 31 December 1977 or at subsequent cost as detailed in note 14 to the financial statements.

Freehold properties are not depreciated. In no case is the estimated useful life of the building less than fifty years and the estimated residual value is likely to be more than the amount at which the properties are carried in the balance sheet. Any depreciation would, therefore, be immaterial and no provision has been made in the financial statements.

2.13 Investment properties

Investment properties are long-term assets, which generate income. They are included at market value in accordance with the Statement of Recommended Practice on accounting by charities. Please see note 15 to the financial statements.

2.14 Furniture and equipment

The cost of furniture and equipment has been charged to the Statement of Financial Activities on acquisition.

Notes to the financial statements
for the year ended 31 December 2025

3. Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgement:

Investment properties at Market value

The Charity held investment property with fair value of £15,028,278 up to the 1 April 2025 when all assets and liabilities transfered to Richard Watts CIO on incorporation (see note 16). In order to determine the fair value of investment property the Charity has engaged independent valuation specialists with experience in the location and nature of the property being valued. They have used a valuation technique based on comparable market data. The determined fair value of the investment property is most sensitive to fluctuations in the property market.

Tangible fixed assets - Cost model

The Charity has recognised tangible fixed assets with a carrying value of £3,476,123 at the reporting date (see note 15). These assets are stated at their cost less provision for depreciation and impairment. The Charity's accounting policy sets out the approach to calculating depreciation for immaterial assets acquired. For material assets such as land and buildings the Charity determines at acquisition reliable estimates for the useful life of the asset, its residual value and decommissioning costs. These estimates are based upon such factors such as the expected use of the acquired asset and market conditions. At subsequent reporting dates the Trustees consider whether there are any factors such as technological advancements or changes in market conditions that indicate a need to reconsider the estimates used.

Where there are indicators that the carrying value of tangible assets may be impaired the Charity undertakes tests to determine the recoverable amount of assets. These tests require estimates of the fair value of assets less cost to sell and of their value in use. Wherever possible the estimate of the fair value of assets is based upon observable market prices less incremental cost for disposing of the asset. The value in use calculation is based upon a discounted cash flow model, based upon the Charity's forecasts for the foreseeable future which do not include any restructuring activities that the Charity is not yet committed to or significant future investments that will enhance the asset's performance. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well expected future cash flows and the growth rate used for extrapolation purposes.

As noted above all assets have transferred on incorporation at book costs as of the 1 April 2025.

Notes to the financial statements
for the year ended 31 December 2025

4. Income from donations and legacies

	Unrestricted funds 3 Months 2025 £	Total funds 3 Months 2025 £	Total funds 12 Months 2024 £
Donations	163	**163**	2,157
Legacies	-	**-**	37,047
	163	**163**	39,204
Total 2024	39,204	39,204	

5. Income from charitable activities

	Unrestricted funds 3 Months 2025 £	Total funds 3 Months 2025 £	Total funds 12 Months 2024 £
Residents' maintenance contributions	107,141	**107,141**	366,396
Home Help income	12,336	**12,336**	36,241
	119,477	**119,477**	402,637
Total 2024	402,637	402,637	

Notes to the financial statements
for the year ended 31 December 2025

6. Investment income

	Unrestricted funds 3 Months 2025 £	Endowment funds 3 Months 2025 £	Total funds 3 Months 2025 £	Total funds 12 Months 2024 £
Rents receivable	180,399	-	**180,399**	715,613
Service charges receivable	6,077	-	**6,077**	22,521
Income from listed investments	67,077	2,688	**69,765**	280,809
Insurances recoverable	3,542	-	**3,542**	33,778
	257,095	2,688	**259,783**	1,052,721
Total 2024	1,043,064	9,657	1,052,721	

7. Other incoming resources

	Unrestricted funds 3 Months 2025 £	Total funds 3 Months 2025 £	Total funds 12 Months 2024 £
Dilapidation income	-	-	50,000
Total 2024	50,000	50,000	

Notes to the financial statements
for the year ended 31 December 2025

8. Property expenditure

Costs of raising voluntary income

	Unrestricted funds 3 Months 2025 £	Total funds 3 Months 2025 £	Total funds 12 Months 2024 £
Commercial property repairs and maintenance	3,886	**3,886**	89,017
Residential property repairs and maintenance	9,810	**9,810**	95,149
Voids expenditure	6,337	**6,337**	21,734
Rent payable	367	**367**	1,471
Insurances	27,553	**27,553**	48,122
Land and estate agents	12,870	**12,870**	16,643
Solicitors	5,841	**5,841**	24,046
Surveyors	3,940	**3,940**	21,251
Bad debts	23,907	**23,907**	47,569
Sundry expenses	1,950	**1,950**	2,383
H&S Consultancy	-	**-**	713
HR Advisors	1,222	**1,222**	5,781
	97,683	**97,683**	373,879
Total 2024	373,879	373,879	

Notes to the financial statements
for the year ended 31 December 2025

9. Investment management costs

	Unrestricted funds 3 Months 2025 £	Total funds 3 Months 2025 £	Total funds 12 Months 2024 £
Stockbroker's fees	8,393	**8,393**	35,102
Total 2024	35,102	35,102	

10. Analysis of grants

	Grants to Institutions 3 Months 2025 £	Grants to Individuals 3 Months 2025 £	Total funds 3 Months 2025 £	Total funds 12 Months 2024 £
Grants paid	23,000	-	**23,000**	90,794
Total 2024	86,900	3,894	90,794	

11. Other expenditure

	Unrestricted funds 3 Months 2025 £	Endowment funds 3 Months 2025 £	Total funds 3 Months 2025 £	Total funds 12 Months 2024 £
Transfer of assets and liabilities on incorporation	1,539,216	25,348,414	**26,887,630**	-

Notes to the financial statements
for the year ended 31 December 2025

12. Richard Watts and the City of Rochester Almshouse Charities transfer out on incorporation

	Unrestricted funds 2025 £	Endowment funds 2025 £	Total funds 2025 £
Freehold Property	-	3,476,123	**3,476,123**
Fixed asset investments	1,014,051	6,062,145	**7,076,196**
Investment property	-	15,028,278	**15,028,278**
Debtors	280,501	-	**280,501**
Cash at bank	530,964	781,868	**1,312,832**
Creditors due within 1 year	(234,241)	-	**(234,241)**
Creditors due more than 1 year	(52,058)	-	**(52,058)**
	1,539,217	25,348,414	**26,887,631**

On the 1st April 2025 Richard Watts and the City of Rochester Almshouse Charities incorporated into Ricahrd Watts CIO. As of the 1st April the above assets and liabilities transfered to Richard Watts CIO as per the incorporation agreements.

Notes to the financial statements
for the year ended 31 December 2025

13. Analysis of expenditure by activities

	Direct costs 3 Months 2025 £	Grants payable (note 10) 3 Months 2025 £	Support costs 3 Months 2025 £	Total funds 3 Months 2025 £	Total funds 12 Months 2024 £
Almshouse	213,869	23,000	143,304	**380,173**	1,198,118
Outpensions	4,420	-	-	**4,420**	22,400
Home Help	18,111	-	-	**18,111**	73,638
Poor Traveller's House	3,496	-	-	**3,496**	10,867
	239,896	23,000	143,304	**406,200**	1,305,023
Total 2024	791,337	90,794	422,892	1,305,023	

Analysis of direct costs

	Almshouse 3 Months 2025 £	Out-pensions 3 Months 2025 £	Home Help 3 Months 2025 £	Poor Traveller's House 3 Months 2025 £	Total funds 3 Months 2025 £	Total funds 12 Months 2024 £
Staff costs	63,100	-	18,074	-	**81,174**	320,986
General and water rates	4,640	-	-	1,019	**5,659**	20,752
Insurances	6,532	-	-	497	**7,029**	28,492
Oil, gas and electricity	41,276	-	-	591	**41,867**	101,254
Repairs, maintenance and cleaning	86,258	-	-	950	**87,208**	252,683
Garden upkeep	2,655	-	-	-	**2,655**	7,859
Telephone	1,557	-	-	222	**1,779**	6,953
Sundry expenses	2,239	-	37	217	**2,493**	11,395
Outpensions	-	4,420	-	-	**4,420**	22,400
Health and safety	5,612	-	-	-	**5,612**	18,563
	213,869	4,420	18,111	3,496	**239,896**	791,337
Total 2024	684,432	22,400	73,638	10,867	791,337	

Notes to the financial statements
for the year ended 31 December 2025

13. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 3 Months 2025 £	Total funds 12 Months 2024 £
Staff costs	**87,097**	285,683
Printing, stationery and advertising	**1,197**	4,705
General and water rates	**224**	775
Telephone	**1,269**	4,967
Oil, gas and electricity	**1,651**	4,206
Insurance	**7,006**	8,989
Furniture	**-**	614
Repairs	**418**	3,858
Office machinery	**6,414**	22,115
Legal and professional fees	**29,754**	53,091
Sundry expenses	**241**	2,064
Computer equipment	**3,819**	13,382
Health and safety	**-**	683
Auditors' remuneration	**2,301**	15,846
Auditors' remuneration - non audit	**1,913**	1,914
	143,304	422,892

Notes to the financial statements
for the year ended 31 December 2025

14. Staff costs

	3 Months 2025 £	12 Months 2024 £
Wages and salaries	**143,007**	516,188
Social security costs	**12,485**	42,698
Other pension costs	**12,779**	47,783
	168,271	606,669

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

	2025 No.	2024 No.
	26	26

The average headcount expressed as full-time equivalents (on a pro rata basis for the 3 months from January 2025 - March 2025) was:

	2025 No.	2024 No.
	15	15

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 on a pro-rata basis for the period January 2025 - March 2025 was:

	2025 No.	2024 No.
In the band £60,001 - £70,000	**1**	1

During the year, the five (2024 - five) key management personnel received remuneration and benefits, including employer's national insurance contributions and employer pension contributions, of £81,273 (2024 - £265,952). Note this covers the period 1 January 2025 - 31 March 2025, as from the 1st April 2025 all expenditure is recognised within Richard Watts CIO on incorporation.

15. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2024 - £NIL).

During the year ended 31 December 2025, no Trustee expenses have been incurred (2024 - £NIL).

Notes to the financial statements
for the year ended 31 December 2025

16. Tangible fixed assets

	Freehold property £
At 1 January 2025	3,476,123
Disposals	(3,476,123)
At 31 December 2025	-
Net book value	
At 31 December 2025	-
At 31 December 2024	3,476,123

Cost and valuation figures include valuations made by the Clerk to the Trustees as at 1 January 1973 and 31 December 1977. The valuation at 1 January 1973 revalued all properties held at that date (£103,200) and the valuation at 31 December 1977 comprised the properties held within Sir John Hayward's Almshouses and St Catherine's Hospital following the amalgamation of the Charities on 29 November 1977 (£130,000). The balance of £3,242,923 comprises subsequent additions at cost. These have then all been transfered at book value on incorporation on the 1st April 2025 to Richard Watts CIO.

Notes to the financial statements
for the year ended 31 December 2025

17. Investment property

	Freehold investment property £
At 1 January 2024	15,028,278
Transfer on incorporation	(15,028,278)
At 31 December 2025	-

The investment properties were valued in 2020 by an independent firm of Chartered Surveyors on an open market value for existing use basis. A formal valuation is to be undertaken during 2025. In the interim internal valuations have been completed.

On the 1st April investment properties transferred on incorporation to Richard Watts CIO at book value. A formal valuations is due within the incorporated entity in late 2025.

18. Fixed asset investments

	Listed investments £
At 1 January 2025	7,338,801
Additions	377,296
Disposals	(393,612)
Transfer on incorporation	(7,076,195)
Revaluations	(246,290)
Net book value	
At 31 December 2025	-
At 31 December 2024	7,338,801

Notes to the financial statements for the year ended 31 December 2025

19. Debtors

	2025 £	2024 £
Due within one year		
Trade debtors	-	122,274
Other debtors	-	113
Prepayments and accrued income	-	209,917
Insurance recoverable	-	56,067
	-	388,371

20. Creditors: Amounts falling due within one year

	2025 £	2024 £
Trade creditors	-	17,267
Other taxation and social security	-	2,584
Accruals and deferred income	-	223,152
	-	243,003

Deferred income at 1 January 2025	**158,829**	160,384
Income deferred during the year	-	137,767
Amounts released from previous periods	**(158,829)**	(139,322)
Deferred income at 31 December 2025	-	158,829

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

	2025 £	2024 £
Other creditors	-	44,494

Notes to the financial statements
for the year ended 31 December 2025

22. Statement of funds

Statement of funds - current year

	Balance at 1 January 2025 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2025 £
Designated funds						
Cyclical Maintenance Fund	81,292	914	-	5,500	-	87,706
Extraordinary Repairs Fund	85,607	1,036	(38,127)	-	-	48,516
General Repairs Fund	195,554	2,304	-	15,000	-	212,858
Planned Maintenance Fund	143,921	5,855	(222)	7,819	-	157,373
Memorial Fund	95,109	957	(6,096)	-	-	89,970
Poor Travellers House Fund	451	-	-	-	-	451
Apprenticeship Support Fund	5,939	-	-	-	-	5,939
Transfer out	-	-	(602,813)	-	-	(602,813)
	607,873	11,066	(647,258)	28,319	-	-
General funds						
General Income Fund	1,119,904	365,669	(465,291)	(28,319)	(55,560)	936,403
Transfer out	-	-	(936,403)	-	-	(936,403)
	1,119,904	365,669	(1,401,694)	(28,319)	(55,560)	-
Total Unrestricted funds	1,727,777	376,735	(2,048,952)	-	(55,560)	-

Notes to the financial statements
for the year ended 31 December 2025

22. Statement of funds (continued)

Endowment funds						
Richard Watts	**24,042,758**	**-**	**-**	**-**	**(207,044)**	**23,835,714**
Chatham Intra	**1,515**	**-**	**-**	**-**	**-**	**1,515**
Sir John Hayward's Charitable Fund	**593,715**	**-**	**-**	**-**	**-**	**593,715**
St Catherine's Hospital	**640,460**	**-**	**-**	**-**	**-**	**640,460**
Sir John Hayward's Educational Charity	**26,874**	**-**	**(200)**	**-**	**-**	**26,674**
William Mantle Trust	**249,988**	**2,688**	**(2,340)**	**-**	**-**	**250,336**
Transfer out	**-**	**-**	**(25,348,414)**	**-**	**-**	**(25,348,414)**
	25,555,310	**2,688**	**(25,350,954)**	**-**	**(207,044)**	**-**
Total of funds	**27,283,087**	**379,423**	**(27,399,906)**	**-**	**(262,604)**	**-**

Notes to the financial statements
for the year ended 31 December 2025

22. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 January 2024 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2024 £
Designated funds						
Cyclical Maintenance Fund	71,890	3,902	-	5,500	-	81,292
Extraordinary Repairs Fund	121,862	7,548	(135,651)	91,848	-	85,607
General Repairs Fund	253,776	10,832	(27,123)	(41,931)	-	195,554
Planned Maintenance Fund	123,493	21,644	(13,678)	12,462	-	143,921
Memorial Fund	57,868	40,384	(3,143)	-	-	95,109
Poor Travellers House Fund	451	-	-	-	-	451
Apprenticeship Support Fund	5,939	-	-	-	-	5,939
	635,279	84,310	(179,595)	67,879	-	607,873
General funds						
General Income Fund	1,209,408	1,450,595	(1,524,549)	(67,879)	52,329	1,119,904
Total Unrestricted funds	1,844,687	1,534,905	(1,704,144)	-	52,329	1,727,777

Notes to the financial statements
for the year ended 31 December 2025

22. Statement of funds (continued)

Endowment funds						
Richard Watts	23,192,390	-	-	-	850,368	24,042,758
Chatham Intra	1,514	-	-	-	1	1,515
Sir John Hayward's Charitable Fund	593,713	-	-	-	2	593,715
St Catherine's Hospital	640,461	-	-	-	(1)	640,460
Sir John Hayward's Educational Charity	26,985	18	(200)	-	71	26,874
William Mantle Trust	254,328	9,639	(9,660)	-	(4,319)	249,988
	24,709,391	9,657	(9,860)	-	846,122	25,555,310
Total of funds	26,554,078	1,544,562	(1,714,004)	-	898,451	27,283,087

Notes to the financial statements
for the year ended 31 December 2025

23. Summary of funds

Summary of funds - current year

	Balance at 1 January 2024 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2025 £
Designated funds	**607,873**	**11,066**	**(647,258)**	**28,319**	**-**	**-**
General funds	**1,119,904**	**365,669**	**(1,401,694)**	**(28,319)**	**(55,560)**	**-**
Endowment funds	**25,555,310**	**2,688**	**(25,350,954)**	**-**	**(207,044)**	**-**
	27,283,087	**379,423**	**(27,399,906)**	**-**	**(262,604)**	**-**

Summary of funds - prior year

	Balance at 1 January 2024 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2024 £
Designated funds	635,279	84,310	(179,595)	67,879	-	607,873
General funds	1,209,408	1,450,595	(1,524,549)	(67,879)	52,329	1,119,904
Endowment funds	24,709,391	9,657	(9,860)	-	846,122	25,555,310
	26,554,078	1,544,562	(1,714,004)	-	898,451	27,283,087

24. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Total funds 2025 £
Total	**-**

Notes to the financial statements
for the year ended 31 December 2025

24. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior period

	Unrestricted funds 2024 £	Endowment funds 2024 £	Total funds 2024 £
Tangible fixed assets	-	3,476,123	3,476,123
Fixed asset investments	1,057,239	6,281,562	7,338,801
Investment property	-	15,028,278	15,028,278
Current assets	958,035	769,347	1,727,382
Creditors due within one year	(243,003)	-	(243,003)
Creditors due in more than one year	(44,494)	-	(44,494)
Total	1,727,777	25,555,310	27,283,087

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

	2025 £	2024 £
Net income/expenditure for the year (as per Statement of Financial Activities)	**(27,283,087)**	729,009
Adjustments for:		
Gains on investment property	**-**	(583,650)
Losses / (Gains) on investments	**246,290**	(314,801)
Dividends, interest and rents from investments	**(259,783)**	(1,052,721)
Decrease/(increase) in debtors	**388,370**	(77,419)
Decrease in creditors	**(287,498)**	(35,536)
Net asset transfer on incorporation	**26,887,630**	-
Cash transferred into Richard Watts CIO on incorporation	**(1,312,832)**	-
Net cash used in operating activities	**(1,620,910)**	(1,335,118)

26. Analysis of cash and cash equivalents

	2025 £	2024 £
Cash in hand	**-**	1,339,011

Notes to the financial statements
for the year ended 31 December 2025

27. Analysis of changes in net debt

	At 1 January 2025 £	Cash flows £

28. Operating lease commitments

At 31 December 2025 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2025 £	2024 £
Not later than 1 year	-	732

29. Related party transactions

There have been no related party transactions during the year (2024 - £Nil), and there are no balances at period end with related parties (2024 - £Nil).