Charity Registration No. 213319

EASTBRIDGE HOSPITAL

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

EASTBRIDGE HOSPITAL

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EASTBRIDGE HOSPITAL

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees
Dr Nigel Fletcher-Jones (Chairman from 1 January 2026)
Mr Christopher Robinson (Chairman to 31 December 2025)
The Reverend Dr Perry Butler
Mr Robin Joy (Resigned 22 May 2025)
The Venerable Archdeacon of Canterbury (Ex Officio)
Mr Stephen Athanasiou
Dr Shola Osinaike (Appointed 10th March 2025)
Dr Sheila Sweetinburgh (Appointed 7th June 2025)
Stewart Ross (Appointed 7th June 2025 – Resigned 29th September 2025)

Charity number
213319

Principal office
25 High Street, Canterbury, Kent, CT1 2BD

Senior management team
Louise Knight – Clerk and Receiver

Independent examiner
M A Wilkes (FCA), Azets Audit Services
32-33 Watling Street, Canterbury, Kent, CT1 2AN

Bankers
National Westminster Bank plc
11 The Parade, Canterbury, Kent CT1 2SG

Handlesbanken
St Andrews House
Station Road East
Canterbury
Kent CT1 2BJ

Solicitors
Furley Page
39 St Margaret's Street, Canterbury, Kent, CT1 2TX

Investment Advisers
Sarasin & Partners LLP
Juxon House, 100 St Pauls Churchyard, London, EC4M 8BU

Architects
Clague Architects
62, Burgate
Canterbury Kent CT1 2BH

EASTBRIDGE HOSPITAL

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2025

The Trustees present their annual report together with the financial statements of the Charity for the year ended 31 December 2025. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The full name of the Charity is the Hospital of St Thomas the Martyr Eastbridge in the City of Canterbury.

OBJECTIVES AND ACTIVITIES

The Charity operates under an Ordinance of His Grace the Archbishop of Canterbury dated February 11th 2016 which updates an original ordinance by John Whitgift, Archbishop of Canterbury dated 20th July 1584.

The main objects of the charity are:

- Maintain the fabric of the Hospital and its grounds.
- To provide accommodation for those in financial need or suffering hardship.
- Contribute to the Eastbridge Parker Exhibitions at the College of Corpus Christi, Cambridge.
- Contribute to the Eastbridge Award Scheme to support local schools.
- Make provision for pilgrims.

The Hospital and its grounds

Eastbridge Hospital is not a hospital as the word is currently understood. It is a Grade I listed building in the centre of Canterbury, spanning the Great Stour River. The building dates from 1190 and was built as a place of hospitality for pilgrims visiting the tomb of St Thomas Becket, who was murdered in the cathedral in 1170. The building now includes two chapels, an undercroft and refectory as well as 8 self-contained flats.

The charity also owns the adjacent Franciscan Gardens, where the first Franciscan Friars settled in the UK in 1224. The site covers just under 2 acres of land bisected by the Great Stour River in the centre of the city. It is a Scheduled Ancient Monument and contains the Greyfriars Chapel, Grade I listed, and the only remaining building from the large Franciscan friary that occupied the area until the Reformation. The site also contains the Grade II listed wall to the Northeast known as the Lovelace Wall. The gardens are open to visitors and are planted to reflect their history with suitable varieties of herbs, flowers and shrubs as well as having a large wildflower meadow.

EASTBRIDGE HOSPITAL

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2025

Our Objective:
To secure the long-term continuation of the charity by improving its effectiveness and income from a variety of sources

In over 800 years of existence, Eastbridge has undergone many changes. Its continued existence is due to its ability to adapt and meet the needs of the times, from welcoming pilgrims, housing the poor, becoming a school, and later an almshouse. This year, the Trustees have carefully reviewed how, in a changing society with changing needs, the aims of the charity might best be fulfilled.

As far as the almshouse accommodation is concerned, it became clear that, with increased life expectancy, elderly residents who become frail and have mobility or other health issues could not live independently and safely in the flats in the medieval hospital building. The listed status of the building prevents the modifications necessary to meet modern care standards.

The Trustees last year agreed to a moratorium on the admission of new indwellers. Other avenues are being explored within Canterbury to create new more suitable accommodation.

It is also clear that, to maintain these important heritage buildings, the charity must be financially sustainable. This will enable their wider use by the community and the public and whilst staying within the objects of the charity, will require a change in priorities.

In setting these new objectives the Trustees have carefully considered the Charity Commission's public benefit guidance.

The Trustees accept that achieving these new aims will take time and for this year and the next few years will include:

- Reviewing the use of the Hospital's buildings, possibly by reverting to the charity's original purpose and creating accommodation for visiting pilgrims, both religious and secular.
- Improving the Franciscan Gardens site and developing it as another heritage site for visitors to the city whilst encouraging use by the local community and for educational uses.
- Working with other almshouse charities to find alternative ways of meeting the aims to provide accommodation.
- Raising money from grants and other sources to enable the buildings to be restored and preserved for future generations.
- To remain involved in education by continuing to support the Parker Exhibition at Corpus Christi, Cambridge, developing the existing relationship with local schools by giving grants and enabling school visits, and exploring the opportunity of working with conservation training bodies through the repair of the historic buildings.

ACHIEVEMENTS AND PERFORMANCE

During 2025, much time was given to discussing the significant changes needed to the charity to meet future needs and to define and agree the objectives stated above. Dr Shola Osinaike and Dr Sheila Sweetinburgh joined the trustee board. Mr Stewart Ross also joined, but resigned in September 2025.

Residents

Due to the nature of the building and the flats being difficult for elderly residents to navigate through, the charity had one indweller remaining who is a Ukraine refugee.

Holiday Lets

During 2025, a number of the former almshouses were opened as holiday lets. These are now being managed by the new concierge of Eastbridge Hospital.

EASTBRIDGE HOSPITAL

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2025

Education
Eastbridge has, since the 16th century, contributed towards the Matthew Parker exhibitions at Corpus Christi College Cambridge. Originally for King's School scholars, in 1998 the scheme was revised to benefit undergraduates coming from any school within the city of Canterbury. Where no such scholars meet those criteria, the college may select its own candidates for the award, favouring candidates from backgrounds with a low income or with other needs and those who are from Kent.

The Charity also maintains the Eastbridge Award scheme for the benefit of state schools within the catchment area served by Canterbury City Council. In 2025 grants were made local schools for specific projects.

Developments and Maintenance – Major Projects
During the course of the year, urgent works were required, during which time the Eastbridge building was closed to the public.

- Works to the Upper Chapel Roof.
- Upgrading of Fireproofing throughout the whole building.
- Upgrading of Flats to accommodate holiday guests.
- Renovation works to 6A Stour Street.
- Upgrading of Fire Alarm throughout the Eastbridge building.
- Repairs to Undercroft due to water ingress from flood.
- Investigation works to the Undercroft due to movement being detected
- Maintenance and replanting in the Franciscan Gardens.
- Removal of bricks from top of Franciscan Garden walls due to safety concerns.
- Repairing and repointing to river wall under Flat 8.

Opening to the public and community events
During 2025, Eastbridge Hospital had to remain closed due to the on-going repairs and maintenance that was required throughout the whole building.

As in previous years Eastbridge has been visited by many individual pilgrims, who are given a special welcome. Volunteer guides for both the Hospital building and the Gardens have been recruited and provide valuable support to staff members.

Environmental considerations
The Great Stour River flows under the Hospital building and through the Franciscan Gardens and the charity therefore works closely with Canterbury Council and the Environment Agency to further its vision of *"a river and riverside environment managed to promote a rich diversity of wildlife"* and*" highlights of past history brought to life"* Actions this year:

- Planning in conjunction with the Environment Agency to soften the riverbank in part of the Franciscan Gardens to encourage more biodiversity

Change to a CIO
Trustees agreed that a change to CIO status would improve the effectiveness and administration of the charity. A new CIO – Eastbridge Hospital - No 1177727 has already been created and all its assets, liabilities and operations transferred to the CIO on 1 May 2026.

EASTBRIDGE HOSPITAL

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2025

FINANCIAL REVIEW

The financial statements show net expenditure for the year. The principal sources of income are rental income from the commercial and residential properties owned by the charity. The income from paying visitors to both the Eastbridge Hospital itself and the Franciscan Gardens is also important, one which we hope will grow as the sites develop and become better known to local people and tourists.

Income for the year totalled £241,586 (2024: £244,657).

Expenditure of £726,607 (2024: £902,308) for the year was as follows:

- Repairs, maintenance and associated architect's fees in relation to properties (which included major projects and maintenance as detailed on page 4) - £197,002 (2024 - £290,785)
- Cost of raising funds - £327,598 (2024 - £113,235)
- Charitable expenditure (not including the above) - £201,407 (2024 - £498,288)

The net deficit result for the year after gains / (losses) on investments was a deficit of £476,549 (2024: deficit of £267,558).

Reserves policy

The Trustees have agreed that reserves of unrestricted funds should be maintained at a level to cover at least 12 months core expenditure. This would ensure that if the charity covered any unforeseen temporary drop in rental income. The Trustees have reviewed the budgets for 2026 and wish to ensure that £550,000 to £550,000 (2024: £250,000 - £300,000) is maintained for that purpose.

The balance of funds at 31 December were as follows:

- Unrestricted general - £341,865 (2024: £246,462);
- Designated funds - £4,562,321 (2024: £5,133,970) as detailed in note 19;
- Restricted funds - £nil (2024: £303) as detailed in note 18.

Total funds of the charity at 31 December 2025 were £4,904,186 (2024: £5,380,735).

Going concern

The charity has incurred deficits over the last four years that have resulted in a reduction of investments held for income generation from £5m at 31 December 2021 to £3.5m at 31 December 2025.

As a result the Trustees of the Charity have made the decision to sell the Masters Lodge which will enable the money to be reinvested in the investment portfolio to ensure a regular guaranteed income.

The Trustees of the charity have recently appointed a Fundraising and Development Manager to Support an income growth plan through fundraising and development activities, including targeted grant applications, developing philanthropic giving and the growth of the membership scheme. This will ensure that the charity does use the unrestricted reserve account to fund the day to day running of the charity.

On 1 May 2026, the activities, assets and liabilities of the charity will be transferred to Eastbridge Hospital (CIO, charity number 1177727).

After that day and before May 2027 it is likely that the legal entity known as Eastbridge Hospital (Charity number 213319 will cease to exist and for this reason the Trustees consider the charity is no longer a going concern.

Risk management

The Trustees are responsible for the overseeing of the risks faced by the Charity. Risks are identified, assessed and controls established throughout the year. A formal review of the charity's risk management processes is undertaken on an annual basis. Risk is managed under the headings of financial sustainability, visitor safety, residents' welfare, employment, events, community access, and Cyber risk.

The main risks that the Trustees have identified and the plans to manage those risks are:

Reputation
Success is built on the charity's reputation for community involvement and the well-being of visitors and staff. We manage this risk through safeguarding policies, staff recruitment policies, pastoral support and active identification and resolution of health and safety related issues.

Financial
Our ability to continue is reliant on income and the ability to pay bills as they fall due. This risk is mitigated by the effective management of the charity's properties, investments and growing the income from tourism. Procedures are designed to minimise the risk of theft, fraud, and Cyber risk.

Buildings
The maintenance of the historic fabric is essential to the charity's operations. This year has shown up significant areas of lack of maintenance in the past which are now being rectified. There is now in place a programme of regular inspection, timely intervention and repairs to prevent any deterioration. Fire and Flood risks are mitigated by suitable alarm systems and insurance.

People
The charity's effectiveness depends on a diverse board of trustees and the abilities and motivation of staff. Our staff policies are designed to support this.

Through the risk management processes set up for the Charity, the Trustees are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

Investment policy and performance

Investment activities are managed in line with the requirements of the Trustee Act 2000. The Trustees have appointed Sarasin & Partners LLP as investment manager. The investment objective is to achieve long-term capital and income growth through investment in the Sarasin Endowments Fund, which adopts an ethical policy. The risk profile of the mandate is managed within a range of 4 – 6 on a scale of 1 – 10.

The investment targets are to preserve the real value of investments against inflation and to have a yield of 3%. Funds not invested are held on deposit to earn interest.

EASTBRIDGE HOSPITAL

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2025

PLANS FOR FUTURE PERIODS

Future plans for the charity were significantly delayed in 2025 by on going urgent repairs which were required to the Eastbridge building and Franciscan Gardens. Because of these, the Hospital building was closed to the public. The significant cost of these repairs and their urgency meant that we were not able to get outside funding and the Trustees were obliged to use the Charity's reserves.

The Eastbridge Hospital was placed on the At Risk Register through Historic England in December 2025.

It is expected that repairs will not be completed as hoped, due to financial implications and whilst the Trustees planned to open the Eastbridge Hospital to the general public, this will not be possible. The pursuit of grants will continue for further restoration of the Hospital building and also for the Lovelace Wall and the Vinery.

The restoration and continuous upkeep of our two important heritage sites is a priority.

Our plans will be partly financed from our income and from our reserves, but to cover the full cost of the very extensive restoration work that needs to be done, the charity will be applying for grants.

Canterbury sits at the crossroads of several historic pilgrimage routes including the London to Canterbury route that inspired Chaucer and the Winchester to Canterbury route. It is also the start point of the Via Francigena, the historic route of over 2000km to Rome. This links to the project to create accommodation for pilgrims, curating the contents of the Eastbridge Hospital building to better tell its story, thus effectively creating a Museum of Pilgrimage.

Increasing the footfall of visitors including tourists, is an important objective not only for the charity but for the economic sustainability of the City of Canterbury itself. We work closely with the local authority and other organisations to achieve this.

The Franciscan Gardens are a significant green space in the centre of the city of Canterbury, with the river flowing through them, which make them an important link in wildlife conservation in the area. We work closely with the local authority and the Environment Agency and other organisations to ensure that their development is based on best practice.

Wider environmental issues are also a high priority, and we are seeking for ways to make our buildings more energy efficient. We also are working to make more efficient use of water and supporting local recycling initiatives.

All these activities lead to educational opportunities in understanding heritage, and training in conservation and garden management skills.

The Trustees of the Charity have made the decision to sell the Masters Lodge which will enable the money to be reinvested in the investment portfolio to ensure a regular guaranteed income. The Trustees have appointed the Fundraising and Development Manager to grant fund for specific works required.

EASTBRIDGE HOSPITAL

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2025

STRUCTURE GOVERNANCE AND MANAGEMENT

Constitution
The governing instrument of the Charity is an Ordinance of His Grace the Archbishop of Canterbury dated the 11th February 2016. The Eastbridge is registered as a charity under number 213319.

The Charity is restricted in the way it can operate to the extent that it is governed by the aforesaid ordinances and by charity law.

Method of appointment of Trustees
Trustees form the Council of Management and, with the exception of the Archdeacon of Canterbury whose appointment is ex officio, are appointed by the patron, the Archbishop of Canterbury, and hold office for five years. They may be reappointed to serve further terms. Trustees elect annually from their members a chairman. Trustees are selected wherever possible for their knowledge and expertise to further of the objects of the Charity.

Induction and training of Trustees
The Trustee body requires breadth and depth of experience to carry out its duties effectively and efficiently. When recruiting new trustees, the important attributes are a passion for the work of our Charity, an understanding of its role in the community, and in the conservation of our heritage. Where possible, the Trustees consider that the skills and experience of the Board should ideally include trustees with experience in one or more of: legal issues, finance and accounting, architecture and conservation of heritage buildings, property management, and senior management or business experience.

The current Trustee body meets this requirement.

The Trustees are appointed for a five-year renewable term by the Archbishop of Canterbury. In addition, the Archdeacon of Canterbury is an Ex-Officio Trustee.

Organisational structure and decision-making
The Trustees are responsible for the overall management, general policy of the charity and control of the Eastbridge Hospital and meet monthly. The work of implementing most of their policies is carried out by the Clerk and Receiver and individual trustees who lead on the topics close to their professional experience.

All trustees give of their time freely and no remuneration or expenses were paid in the year. No Trustee or person connected with a Trustee received any benefit.

EASTBRIDGE HOSPITAL

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2025

TRUSTEES RESPONSIBILITIES STATEMENT

Trustees are responsible for preparing this report and the financial statements in accordance with applicable law and United Kingdom accounting standards.

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

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the charities SORP;
- Make judgments and estimates that are reasonable and prudent;
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Charity will continue in operation

The Trustees are responsible for keeping accounting records that 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 acts and charity accounting and reporting regulations together also with the provisions of the Eastbridge Ordinance. Trustees are also responsible for safeguarding the assets of the Charity and taking reasonable steps to prevent and detect fraud and other irregularities.

This report was approved by the Trustees and signed on their behalf by-:

Dr Nigel Fletcher Jones
Trustee

Date: 22 July 2026

EASTBRIDGE HOSPITAL

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2025

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES

I report to the Trustees on my examination of the financial statements of Eastbridge Hospital for the year ended 31 December 2025 as set out on pages 11 to 24.

Respective responsibilities of Trustees and Examiner
As the Charity's Trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement
I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- accounting records were not kept in respect of the charity as required by section 130 of the Act; or
- the accounts do not accord with those records
- the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

Material uncertainty relating to going concern
I have considered the adequacy of the disclosures made in the Trustees report, going concern and plans for future sections, and the Accounting Policies – Going Concern, note 1b, concerning the charity's ability to continue as a going concern.

On 1 May 2026, the activities, assets and liabilities of the charity transferred to Eastbridge Hospital (CIO, charity number 1177727). After that day and before May 2027 it is likely that the legal entity known as Eastbridge Hospital (Charity number 213319 will cease to exist and for this reason the charity is no longer a going concern.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

M Wilkes FCA
Azets Audit Services
2nd Floor, 32 – 33 Watling Street
Canterbury, Kent CT1 2AN

Date : 14 September 2026

EASTBRIDGE HOSPITAL

STATEMENT OF FINANCIAL ACTIVIES

For the year ended 31 December 2025

	Notes	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Total 2024 £
Income from:					
Donations		2,588	-	2,588	3,312
Charitable activities	**2**	52,506	-	52,506	43,859
Investments	**3**	127,093	-	127,093	166,285
Other trading activities	**4**	58,707	-	58,707	27,279
Other income		692	-	692	3,922
Total income		241,586	-	241,586	244,657
Expenditure on:					
Raising funds		327,598	-	327,598	113,235
Charitable activities		398,706	303	399,009	789,073
Total expenditure	**5**	726,304	303	726,607	902,308
Net deficit before gains/(losses) on investments		(484,718)	(303)	(485,021)	(657,651)
Net gains/(losses) on investments	**12, 13**	8,472	-	8,472	390,093
Net movement in funds		(476,246)	(303)	(476,549)	(267,558)
Fund balances					
At 1 January 2025		5,380,432	303	5,380,735	5,648,293
At 31 December 2025		4,904,186	-	4,904,186	5,380,735

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

All income and expenditure derive from discontinued activities.

EASTBRIDGE HOSPITAL

COMPARATIVE STATEMENT OF FINANCIAL ACTIVIES

For the year ended 31 December 2025

Year ended 31 December 2024	Notes	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Income from:				
Donations and grants		3,312	-	3,312
Charitable activities	**2**	43,859	-	43,859
Investments	**3**	166,285	-	166,285
Other trading activities	**4**	27,279		27,279
Other income		3,922	-	3,922
Total income		244,657	-	244,657
Expenditure on:				
Raising funds		113,235	-	113,235
Charitable activities		789,073	-	789,073
Total expenditure	5	902,308	-	902,308
Net deficit before gains/(losses) on		(657,651)	-	(657,651)
Net gains/(losses) on investments	**12, 13**	390,093	-	390,093
Net movement in funds		(267,558)	-	(267,558)
Fund balances				
At 1 January 2024		5,647,990	303	5,648,293
At 31 December 2024		5,380,432	303	5,380,735

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

All income and expenditure derive from continuing activities.

EASTBRIDGE HOSPITAL

BALANCE SHEET

As at 31 December 2025

	Notes	2025 £	2025 £	2024 £	2024 £
Fixed assets					
Tangible assets	**10**		1,279,883		1,297,604
Heritage assets	**11**		72,438		72,438
Investment properties	**12**		3,210,000		3,210,000
Investments	**13**		331,509		553,928
			4,893,830		5,133,970
Current assets					
Stock - Finished goods for resale		8,859		6,923	
Debtors	**14**	47,498		29,494	
Cash at bank and in hand		27,378		286,379	
		83,735		322,796	
Creditors: amounts falling due within one year	**15**	(73,379)		(76,031)	
Net current assets			10,356		246,765
Net assets			4,904,186		5,380,735
Funds					
Restricted funds	**18**		-		303
Unrestricted funds:					
Designated funds	**19**	4,562,321		5,133,970	
General unrestricted fund		341,865		246,462	
			4,904,186		5,380,432
	20		4,904,186		5,380,735

The financial statements were approved by the Trustees on 22 July 2026 and signed on their behalf by:

Dr Nigel Fletcher Jones
Trustee

EASTBRIDGE HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

1. Accounting policies

a. Basis of preparation

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

b. Going concern

The charity has incurred deficits over the last four years that have resulted in a reduction of investments held for income generation from £5m at 31 December 2021 to £3.5m at 31 December 2025.

As a result the Trustees of the Charity have made the decision to sell the Masters Lodge which will enable the money to be reinvested in the investment portfolio to ensure a regular guaranteed income.

The Trustees of the charity have recently appointed a Fundraising and Development Manager to Support an income growth plan through fundraising and development activities, including targeted grant applications, developing philanthropic giving and the growth of the membership scheme. This will ensure that the charity does use the unrestricted reserve account to fund the day to day running of the charity.

On 1 May 2026, the activities, assets and liabilities of the charity will be transferred to Eastbridge Hospital (CIO, charity number 1177727).

After that day and before May 2027 it is likely that the legal entity known as Eastbridge Hospital (Charity number 213319 will cease to exist and for this reason the Trustees consider the charity is no longer a going concern.

c. 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.

Accommodation: Contribution towards maintenance of the flats is based on accommodation of the flats and is recognised when the accommodation is occupied.

Hospital Buildings and Garden: Donations and entrance fees are collected daily and are recognised upon receipt.

Investment property Rental Income: Invoices are raised quarterly based on occupied properties in accordance with the assigned leases. Income is recognised for the periods in which the properties are let.

Shop income: Income is recognised when goods are sold.

Holiday Let Rentals: Invoices are raised at the completion of the stay and income is recognised for the periods in which the properties are let.

Investment Income: Investment income from the managed portfolio is recognised upon receipt.

1. Accounting policies (continued)

d. Expenditure

Expenditure, all of which is inclusive of irrecoverable VAT, 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 is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements. Costs of raising funds are costs incurred in attracting voluntary income.

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 period end are noted as a commitment, but not accrued as expenditure.

Support costs are allocated between the cost of raising funds, Accommodation and Heritage and Education equally in line with both recurring income and time expensed on each activity.

e. Tangible fixed assets

Capital assets acquired are shown in the balance sheet. Capital items over £1,000 are capitalised.

Assets received by way of gift are capitalised at their estimated market value at the date of the gift and the corresponding credit included under donations on the statement of financial activities.

Heritage assets are capitalised at cost. These assets are preserved, and in view of their expected residual value and indeterminate useful life, any periodic depreciation charge would, in the opinion of the trustees, be immaterial.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

- Freehold property – 2% straight line
- Land - Not depreciated
- Fixtures and fittings - 10% to 33% straight line

f. Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

1. Accounting policies (continued)

g. Fixed asset investments
Fixed asset investments are initially measured at transaction price excluding transaction costs and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

h. Impairment of fixed assets
At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

i. Stock
Stock is stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, overheads that have been incurred in bringing the stock to its present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stock over its estimated selling price less costs to complete and sell is recognised as an impairment in the statement of financial activities. Reversals of impairment losses are also recognised in the statement of financial activities.

j. Debtors and creditors
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.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received. Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

k. Retirement benefits
Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

l. 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.

m. 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 notes to the financial statements.

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.

1. Accounting policies (continued)

n. Financial instruments

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

o. Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The following judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies that have had the most significant effect on amounts recognised in the financial statements:

Impairment of Tangible Fixed Assets

Management is required to assess at each reporting date whether there are any indicators of impairment for the charity's fixed assets. Where such indicators exist, or where annual impairment testing is required for certain assets, management estimates the recoverable amount of the asset to determine whether an impairment loss should be recognised.

The recoverable amount is the higher of fair value less costs of disposal and value in use. Determining the value in use requires management to make significant judgements and estimates, including future cash flow projections, growth rates, and expected changes in market conditions. These estimates are inherently uncertain and may change over time due to changes in economic conditions or performance.

Investment Properties

Investment Properties are measured at fair value at the Balance Sheet date. The fair values are assessed annually by the trustees and are based on market conditions.

2. Charitable activities

	2025	2024
	£	£
Accommodation	8,243	23,448
Heritage Buildings and Gardens	44,263	20,411
	52,506	43,859

3. Investments

	2025	2024
	£	£
Commercial property rents	113,892	147,258
Income from listed investments	13,087	18,515
Interest receivable	114	512
	127,093	166,285

4. Other trading activities

	2025	2024
	£	£
Shop takings	28,265	27,279
Income from holiday lets	30,442	-
	58,707	27,279

5. Expenditure

Current year	Staff costs £	Activities undertaken directly £	Grant funding of activities £	Support costs £	Total £	Total 2024 £
Cost of raising funds	60,118	226,190	-	41,290	327,598	113,235
Charitable activity:						
Accommodation	30,059	135,504	-	15,012	180,575	319,357
Heritage and Education	60,119	135,509	1,794	21,012	218,434	469,716
	150,296	497,203	1,794	77,314	726,607	902,308

6. Support costs

	2025	2024
	£	£
Office costs	17,967	9,259
Advertising and marketing	3,873	6,519
Accountancy, Bookkeeping and Payroll	17,145	17,841
Other costs	1,496	-
Staff expenses, travel and subsistence	2,750	-
Depreciation	30,083	29,237
Governance costs:		
Audit Fees	-	10,400
Independent Examination	4,000	-
	77,314	73,256

7. Grants

	2025	2025	2024	2024
	no.	£	no.	£
Eastbridge Award Scheme grants made	1	1,794	1	1,000

The Eastbridge Award Scheme offers financial support to both children and young adults (aged 19-25) who wish to undertake a project which will challenge themselves and improve the lives of others. As a Christian Foundation, the Eastbridge Hospital is eager to promote projects which advance the welfare of others. However, no particular faith commitment is required of applicants. All applications are reviewed by the trustees.

8. Trustees

During the year no trustee received money regarding re-imbursed expenses on behalf of the charity (2024 - 1 trustee received - £94).

9. Staff costs

	2025	2024
	£	£
Staff costs were as follows:		
Wages and salaries	146,202	129,140
Employers National Insurance	2,359	4,885
Pension costs	1,735	2,087
	150,296	136,112

Staff numbers

The average monthly number of employees (all relating to charitable activities) was 12 (2024: 9).

Higher paid staff

The number of employees whose emoluments as defined for taxation purposes, amounted to over £60,000 in the year were as follows:

	No.	No.
£60,000 to £69,999	1	1

9. Staff costs continued

Key management personnel

The key management personnel comprise those listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their service to the charity was £64,581 (2023: £62,538).

10. Tangible fixed assets

	Freehold land and buildings £	Fixtures and fittings £	Total £
Cost			
At 1 January 2025	1,335,121	40,341	1,375,462
Additions	-	12,362	12,362
At 31 December 2025	1,335,121	52,703	1,387,824
Depreciation			
At 1 January 2025	56,400	21,458	77,858
Charge for the year	25,200	4,883	30,083
At 31 December 2025	81,600	26,341	107,941
Net book value			
At 31 December 2025	**1,253,521**	**26,362**	**1,279,883**
At 31 December 2024	1,278,721	18,883	1,297,604

Included within Freehold land and buildings is land value of £75,121 (2024 - £75,121).

11. Heritage assets

	2025 £	2024 £
Cost		
At 1 January 2025	72,438	72,438
At 31 December 2025	72,438	72,438

Heritage assets purchased relate to maps and other historic artifacts relating to the charity which are displayed in the Hospital.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025

12. Investment property	2025	2024
	£	£
Fair value		
At 1 January 2025	3,210,000	3,240,000
Disposals	-	(370,000)
Revaluations	-	340,000
At 31 December 2025	3,210,000	3,210,000

The 2025 valuations were made by the Trustees, on an open market value for existing use basis.

13. Fixed asset investments	2025	2024
	£	£
Cost or valuation		
At 1 January 2025	552,570	723,477
Disposals	(230,000)	(221,000)
Revaluations	8,472	50,093
At 31 December 2025	331,042	552,570
Cash held in portfolio	467	1,358
Total Investments	331,509	553,928
Investments at market value comprise:		
United Kingdom	98,650	114,668
Overseas	232,859	439,260
	331,509	553,928

Asset distribution	2025	2024
	£	£
Fixed Income	25,505	59,352
Equities and Funds	243,752	415,476
Property	12,269	19,007
Alternatives	39,624	48,028
Liquid Assets	10,359	12,065
	331,509	553,928

Historical cost of the portfolio above was £260,419 (2024 - £539,485).

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025

14. Debtors	2025	2024
	£	£
Trade debtors	7,359	10,310
VAT recoverable	29,145	12,286
Other debtors	779	996
Prepayments	10,215	5,902
	47,498	29,494

15. Creditors: amounts falling due within one year	2025	2024
	£	£
Trade creditors	35,032	3,605
Other taxes and social security	2,649	-
Other creditors	698	292
Accruals and deferred income	35,000	72,134
	73,379	76,031

16. Deferred income	2025	2024
	£	£
Deferred income is included within:		
Creditors due within one year	18,701	21,928
Deferred income at 1 January 2024	21,928	35,970
Released from previous years	(21,928)	(35,970)
Resources deferred in the year	18,701	21,928
Deferred income at 31 December 2024	18,701	21,928

Deferred income relates to rental income and holiday lets received in advance for the next financial year.

17. Retirement benefit schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025

18. Restricted funds	Balance at 01 Jan 25	Income	Expenditure	Balance at 31 Dec 25
CURRENT YEAR	**£**	**£**	**£**	**£**
Ukraine donations	303	-	(303)	-

	Balance at 01 Jan 23	Income	Expenditure	Balance at 31 Dec 23
PRIOR YEAR	**£**	**£**	**£**	**£**
Ukraine donations	303	-	-	303

Ukraine donations

Funds and donations received to the installation of Ukraine refugees now living at Eastbridge.

19. Designated funds	Balance at 01 Jan 25	New designations	Designations released	Balance at 31 Dec 25
CURRENT YEAR	**£**	**£**	**£**	**£**
Investment fund	3,513,928	8,472	(332,400)	3,190,000
Restoration fund	250,000	-	(230,000)	20,000
Asset fund	1,370,042	12,362	(30,083)	1,352,321
	5,133,970	20,834	(592,483)	4,562,321
PRIOR YEAR				
Investment Fund	3,714,126	-	(200,198)	3,513,928
Restoration fund	250,000	-	-	250,000
Asset fund	1,399,279	-	(29,237)	1,370,042
	5,363,405	-	(229,435)	5,133,970

Investment Fund

This fund represents tangible fixed assets in the form of investment properties and managed investment portfolio which are used by the charity for both the purposes of income generation and capital appreciation and thus do not form part of the charity's free reserves. Post year end, the investment portfolio has been used to cover shortfalls in the reserve policy (see page 5) and the investment portflolio was undesignated at 31 December 2025.

Asset Fund

This fund represents buildings acquired following the formation of the charity, fixtures and fittings together with heritage assets which are for charitable use.

Restoration fund

This fund has been set aside by the Trustees to cover exceptional expenditure on restoration of the heritage properties over a two year period.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025

20. Analysis of net assets between funds

	Restricted funds	Designated funds	Unrestricted funds	Total
Current year	£	£	£	£
Fixed assets	-	4,562,321	331,509	4,893,830
Current assets	-	-	83,735	83,735
Creditors: amounts falling due within one year	-	-	(73,379)	(73,379)
	-	4,562,321	341,865	4,904,186
Prior year				
Fixed assets	-	5,133,970	-	5,133,970
Current assets	303	-	322,493	322,796
Creditors: amounts falling due within one year	-	-	(76,031)	(76,031)
	303	5,133,970	246,462	5,380,735

21. Operating lease agreements where the charity is lessor

At 31 December 2024 the total of the charity's future minimum lease receipts under non-cancellable operating leases was:

	2025	2024
	£	£
Due within one year	71,125	116,725
Due between two and five years	177,000	200,125
Due after five years	97,917	133,917
	346,042	450,767

22. Related party transactions

Christopher Robinson and Nigel Fletcher-Jones (Eastbridge Hospital Trustees) are also Trustees of Canterbury Archaeological Trust Limited. During the year expenses of £nil (2024: £3,769) were paid to Canterbury Archaeological Trust in advance of repair work undertaken on the river wall. Amounts due to Canterbury Archaeological Trust at 31 December 2025 were £nil (2024: £nil)

23. Post Balance Sheet Events

On 1 May 2026 all operations, assets and liabilities transferred to Eastbridge Hospital CIO (Registed charity number 1177727).

In May 2026, an investment property was placed on the market for sale. The Investment property remains classified as a fixed asset investment and a designated investment fund.