Charity number: 216275

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

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2026

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

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2026

Trustees

Mr Richard Metcalfe, Chair
Mr Alan Birkmyre (resigned 9 April 2025)
Mr Michael Downie (appointed 26 September 2025)
Mr Aidan Evans
Dr Laura Graham (appointed 26 September 2025)
Dr Hazel Jones-Lee
Councillor John O'Shea
Ms Sue Pearson
Mr M Richardson
Dr Hilary Anne Wynne

Charity registered number

216275

Registered office

Thomas Horsley House,
349 Benwell Lane,
Newcastle upon Tyne
NE15 6NG

Independent auditors

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

Bankers

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

Regulator of Social Housing number

A1273

Manager

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

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2026

Clerk

Timothy Rohan Gray (Clerk)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2026

The Trustees present their annual report together with the audited financial statements of the The Hospital of St Mary the Virgin (Rye Hill and Benwell) for the year 1 April 2025 to 31 March 2026.

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

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

Objectives and activities

- **Policies and objectives**

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

The principal activity is the management of the Almshouses at Rye Hill and Benwell. The numbers of flats available for occupation by residents are 19 at Rye Hill and 41 at Thomas Horsley House, Benwell.

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

a. the prevention or relief of poverty; and

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

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

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

Achievements and performance

- **Compliance with the Governance and Financial Viability Standard**

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

The Trustees have adopted the NHF Code of Governance 2020 covering the Core Principles of: -

- Mission and values;
- Strategy and delivery;
- Board effectiveness; and
- Control and assurance.

- **Review of activities**

In pursuit of high standards with regard to its responsibilities to residents and staff, at least every three years, the Charity reviews its policies and procedures as part of a cyclical process of monitoring and improvement taking into account as appropriate the recommendations from time to time of the Almshouses Association.

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

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

- **Investment policy and performance**

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

The portfolio total return was +12.6% for the year to 31 March 2026 (2025: +2.8%). This compares with total returns for the following indices:

	Year to 31.03.26	Year to 31.03.25
BD Risk Category 6 Benchmark	+14.9%	+6.5%
Morningstar UK Gilt Index	+2.4%	-1.2%
Morningstar UK Corporate Bond Index	+4.3%	+2.3%
Morningstar UK All-Cap Index	+21.9%	+10.5%
Morningstar Global ex UK Index	+17.1%	+5.2%
Morning Star Global REIT Index	+1.7%	+6.2%
HFRX Absolute Return Index	+4.2%	+4.5%

The Brewin Dolphin Risk Category 6 Benchmark comprises 3.5% UK Gilts, 2.5% UK Bonds, 11% Overseas Bonds, 17% UK Equities, 51.5% Overseas Equities, 3% Property, 9% Alternatives & 2.5% Cash.

After the slump in global equities towards the end of the previous year, risk appetite returned in May and June 2025 and the S&P 500 Index surged to a new record high, joining the MSCI World and Nasdaq 100 which had already surpassed previous peaks.

Achievements and performance (continued)

Several headwinds that had previously dampened sentiment, including geopolitical threats and trade tensions, subsided, or moderated, and markets embraced a backdrop of measured disinflation, diplomatic progress, and long-term secular tailwinds, such as artificial intelligence-led innovation. There was a reminder of the strength of technology stocks, with Nvidia reclaiming its title as the world's most valuable company. Meanwhile, the decline of the US dollar generated headlines and lifted sterling to a four-year high.

The third quarter of 2025 was another positive period and fears over the typical weakness in September didn't materialise. Over the previous five years, global equities had risen each month from May to August, while September had stood out as the worst month of the year for equity returns. Investors were cheered by the first US interest rate cut of 2025 or, perhaps more significantly, of the second Trump administration.

The last quarter of the year saw a sharp sell-off in a number of stocks associated with the roll out of artificial intelligence (AI) and its supporting infrastructure. Although this pattern of sharp declines and subsequent increases had been seen before, the previous market leaders are finding it harder to move forward from each consecutive setback. Investors are concerned that there may be a pivot away from AI picks and shovels plays and a move towards beneficiaries instead. This centres around the motivations of company management and, in general, investors want management who show discipline when allocating capital. The worry is that management misjudge the capital cycle but there are key differences from past capital cycles in that today's investments are deployed immediately whereas, in previous cycles, costs would be spread over extended periods. For example, when building a mine it can take years to come online but the cost is borne over a decade, or more.

The dominant theme of the first quarter of 2026 was the Iran war and its far-reaching consequences for global energy markets, risk assets, and central bank policy. Equities experienced sharp declines as the escalatory rhetoric from both Washington and Tehran rattled markets. Most equity markets have now recovered from their lows but the gains made from the start of the year to the end of February were wiped out in March.

Over the year the investments gained 12.6% on a time-weighted basis relative to a 14.9% rise in the RBC Brewin Dolphin Risk Category 6 benchmark. The Morningstar UK All Cap index gained 22%, the Morningstar Global ex UK Index rose 17%, and the Morningstar UK Gilt Index was up 2%.

Until the beginning of the Middle East hostilities, markets had recovered and been relatively calm, since 'Liberation Day' and the imposition of trade tariffs (and subsequent U-turns) by the Trump administration at the start of April 2025. Japan, Far Eastern, and emerging markets have led the way over the year and returns from the regions have each been around 30%. Contributors to global equity market returns have broadened out but technology remains a significant driver and a diversified and balanced portfolio simply cannot allocate to high-growth, technology, and AI-related companies, to the same extent as their weightings in main market indices and this has affected relative performance. These areas also do not contribute much to income.

Financial review

- **Going concern**

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

- **Reserves policy**

It is the Trustees' policy to maintain free reserves at a level equating to around six months of charitable expenditure. At the year end the free reserves, after taking account of £250,000 designated for major planned property expenditure, stand at £404,372 (2025: £323,407). This level of free reserves is equivalent to approximately eight months' charitable expenditure and so is slightly above the targeted level.

- **Financial review**

In seeking to achieve the Charity's Objectives the Trustees monitor the level of void weeks i.e. weeks where a property is unoccupied. During the financial year there was the equivalent of 39 void weeks (2025: 128) amounting to a reduction of £3,900 (2025: £11,458) on maximum contributions collectable. Arrears outstanding at the financial year end were £16,334 (2025: £11,489).

The income of the Charity for the year amounts to £508,805 (2025: £509,664) and operating costs of £578,067 (2025: £520,290) leaving a deficit of £69,262 (2025: £10,626) before taking account of realised and unrealised gains on investments.

- **Principal funding**

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

The Trustees are aware that the Charity's legacy income from the Estate Management Charity has reduced due to a rent reduction and in addition the Almshouses have begun to fill the voids.

- **Value for money**

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

Value for Money Metric	Target 2027	Actual 2026	Target 2026	Actual 2025
One - **Reinvestment %**	2.4%	1.4%	2.3%	1.4%

Commentary – the reinvestment percentage is calculated by reference to works to the existing properties divided by the net book value of housing properties at deemed cost. The expenditure is for planned major repair works. There was no capitalised interest. The Trustees do not anticipate there will be any more social housing units developed for the foreseeable future.

Two - **New Supply %**

Social housing units delivered	Nil	Nil	Nil	1.6%
Non-social housing units delivered	Nil	Nil	Nil	Nil

Commentary – The Trustees have no further plans to develop any more social housing units. The Trustees have no plans to deliver any non-social housing units.

Value for Money Metric	Target 2027	Actual 2026	Target 2026	Actual 2025
Three - **Gearing %**	-7.2%	-4.8%	-9.5%	-4.3%

Commentary – while the Charity has some debt this is exceeded by the cash balances and so a negative gearing figure is arrived at by dividing the Charity's cash at bank less loan balance by the net book value of housing properties at deemed cost.

Four – **EBITDA MRI Interest cover %**	Nil	Nil	Nil	Nil

Commentary – The Charity has interest free borrowing from the Almshouses Association and no other borrowing.

Five – **Headline social housing cost**	£8,409	£8,184	£7,852	£7,726

Commentary – the cost has increased in the year due to expenditure on major maintenance and repair works being incurred which are expected to reduce in 2026.

Six – **Operating margin %**

Overall = social housing lettings	-6.8%	-48.2%	-36.0%	-41.6%

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

Seven – **Return on capital employed %**	-1.0%	-5.5%	-4.0%	-4.1%

Commentary – the percentages are negative as explained in metric six. The negative percentage reduced slightly due to an increase in revenue primarily arising from contributions towards utilities.

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

Structure, governance and management

- **Constitution**

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

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

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

Structure, governance and management (continued)

• Methods of appointment or election of Trustees

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

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

The body of Trustees shall consist of:

- One Nominative Trustee appointed by the Bishop of Newcastle; and
- No fewer than seven nor more than eleven Co-optive Trustees appointed by a resolution of the Almshouses Trustees passed at a special meeting.

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

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

• Organisational structure and decision-making policies

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

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

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

• Policies adopted for the induction and training of Trustees

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

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

• Pay policy for staff

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

Structure, governance and management (continued)

- **Financial risk management**

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

Plans for future periods

The Trustees intend to maintain the existing accommodation units to a high standard and at this time have no other significant plans for future periods.

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

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

Disclosure of information to auditors

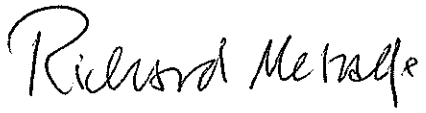
Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

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

Auditors

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

Approved by order of the members of the board of Trustees on 25 September 2026 and signed on their behalf by:



Mr Richard Metcalfe

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

Opinion

We have audited the financial statements of The Hospital of St Mary the Virgin (Rye Hill and Benwell) (the 'charity') for the year ended 31 March 2026 which comprise the Statement of Financial Activities, the Income and Expenditure Account, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

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

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

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2026 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, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

In addition, we have nothing to report in respect of the following matter where the Housing Regeneration Act 2008 requires us to report to you if, in our opinion a satisfactory system of control over transactions has not been maintained.

Responsibilities of Trustees

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

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

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- the engagement director ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the Charity through discussions with Trustees and other management, and from our commercial knowledge and experience of the registered social housing providers sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the Charity, including the Charities Act 2011 et seq., the Charities (Protection and Social Investment) Act 2016, the Trustees Acts 1925 and 2000, Charity Commission regulation, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022 and other legislation identified as being of significance in the context of the entity e.g. taxation legislation, data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- we ensured that the identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

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

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

regulations.

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

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

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

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, the Regulator of Social Housing and the Charity's legal advisors.

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

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

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

Use of our report

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

Kinnair Associates Limited

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

28 September 2026

Kinnair Associates Limited 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 MARCH 2026

	Note	Unrestricted funds 2026 £	Total funds 2026 £	*Total funds 2025 £*
Income from:				
Donations and legacies	3	**154,292**	**154,292**	*190,506*
Charitable activities	4	**338,780**	**338,780**	*301,990*
Investments	5	**17,401**	**17,401**	*17,168*
Total income		**510,473**	**510,473**	*509,664*
Expenditure on:				
Raising funds	6	**3,715**	**3,715**	*3,534*
Charitable activities	7	**574,352**	**574,352**	*516,756*
Total expenditure		**578,067**	**578,067**	*520,290*
Net expenditure before net gains/(losses) on investments		**(67,594)**	**(67,594)**	*(10,626)*
Net gains/(losses) on investments		**53,608**	**53,608**	*(722)*
Net movement in funds		**(13,986)**	**(13,986)**	*(11,348)*
Reconciliation of funds:				
Total funds brought forward		**2,885,357**	**2,885,357**	*2,896,705*
Net movement in funds		**(13,986)**	**(13,986)**	*(11,348)*
Total funds carried forward		**2,871,371**	**2,871,371**	*2,885,357*

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

The notes on pages 19 to 39 form part of these financial statements.

Mr Richard Metcalfe
Trustee

Dr Hazel Jones-Lee
Trustee

SUMMARY INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2026

	Note	Total funds 2026 £	*Total funds 2025 £*
Income		**510,473**	*509,664*
Gains/(losses) on investments		**53,608**	*(722)*
Gross income in the reporting period		**564,081**	*508,942*
Less: Total expenditure		**(578,067)**	*(520,290)*
Net expenditure/ (income) for the reporting period		**(13,986)**	*(11,348)*

The notes on pages 19 to 39 form part of these financial statements.

BALANCE SHEET
AS AT 31 MARCH 2026

	Note		2026 £		*2025 £*
Fixed assets					
Tangible assets	15		**2,215,331**		*2,311,950*
Investments	16		**617,641**		*551,694*
			2,832,972		*2,863,644*
Current assets					
Debtors	17	**34,574**		*37,411*	
Cash at bank and in hand		**184,683**		*187,878*	
		219,257		*225,289*	
Current liabilities					
Creditors: amounts falling due within one year	18	**(56,449)**		*(54,629)*	
Net current assets			**162,808**		*170,660*
Total assets less current liabilities			**2,995,780**		*3,034,304*
Creditors: amounts falling due after more than one year	19		**(68,250)**		*(78,750)*
Provisions for liabilities			**(56,159)**		*(70,197)*
Total net assets			**2,871,371**		*2,885,357*
Charity funds					
Unrestricted funds	22		**2,871,371**		*2,885,357*
Total funds			**2,871,371**		*2,885,357*

The financial statements were approved and authorised for issue by the Trustees on 25 September 2026 and signed on their behalf by:

Mr Richard Metcalfe

Dr Hazel Jones-Lee

The notes on pages 19 to 39 form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2026

	Note	2026 £	*2025 £*
Cash flows from operating activities			
Net cash used in operating activities	24	**43,711**	*22,340*
Cash flows from investing activities			
Dividends, interest and rents from investments		**17,401**	*17,168*
Purchase of tangible fixed assets		**(31,068)**	*(32,665)*
Proceeds from sale of investments		**150,272**	*126,362*
Purchase of investments		**(173,011)**	*(138,981)*
Net cash used in investing activities		**(36,406)**	**(28,116)**
Cash flows from financing activities			
Repayments of borrowing		**(10,500)**	*(10,500)*
Net cash used in financing activities		**(10,500)**	**(10,500)**
Change in cash and cash equivalents in the year		**(3,195)**	**(16,276)**
Cash and cash equivalents at the beginning of the year		**187,878**	*204,154*
Cash and cash equivalents at the end of the year	25	**184,683**	*187,878*

The notes on pages 19 to 39 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

1. General information

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

2. Accounting policies

2.1 Basis of preparation of financial statements

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

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

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

The financial statements are presented in pounds Sterling and rounded to the nearest pound.

2.2 Going concern

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

2. 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.

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

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

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

2.4 Expenditure

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

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

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

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

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

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

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

All expenditure is inclusive of irrecoverable VAT.

2.5 Interest receivable

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

2. Accounting policies (continued)

2.6 Tangible fixed assets and depreciation

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

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

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

Depreciation is provided on the following basis:

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

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

2.7 Investments

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

2.8 Debtors

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

2.9 Cash at bank and in hand

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

2. Accounting policies (continued)

2.10 Liabilities

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

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

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

2.11 Social housing grants

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

2.12 Financial instruments

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

2.13 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

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

3. Income from donations and legacies

	Unrestricted funds 2026 £	Total funds 2026 £
St Mary the Virgin Estate Management Charity	154,292	**154,292**

	Unrestricted funds 2025 £	*Total funds 2025 £*
St Mary the Virgin Estate Management Charity	*190,506*	*190,506*

4. Income from charitable activities

	Unrestricted funds 2026 £	Total funds 2026 £
Contributions from residents	338,780	**338,780**

Contributions from residents above includes £29,173 (2025 : £28,513) contribution towards utilities.

	Unrestricted funds 2025 £	*Total funds 2025 £*
Contributions from residents	*301,990*	*301,990*

5. Investment income

	Unrestricted funds 2026 £	Total funds 2026 £
Dividends and interest on investments	17,377	**17,377**
Bank deposit interest	24	**24**
	17,401	**17,401**

	Unrestricted funds 2025 £	*Total funds 2025 £*
Dividends and interest on investments	*14,175*	*14,175*
Bank deposit interest	*2,993*	*2,993*
	17,168	*17,168*

6. Investment management costs

	Unrestricted funds 2026 £	Total funds 2026 £
Investment management fees	3,715	**3,715**

	Unrestricted funds 2025 £	*Total funds 2025 £*
Investment management fees	*3,534*	*3,534*

7. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2026 £	Total 2026 £
Direct costs - Provision of sheltered accommodation	574,352	**574,352**

	Unrestricted funds 2025 £	*Total 2025 £*
Direct costs - Provision of sheltered accommodation	*516,756*	*516,756*

8. Analysis of expenditure by activities

	Activities undertaken directly 2026 £	Support costs 2026 £	Total funds 2026 £
Direct costs - Provision of sheltered accommodation	502,155	72,197	**574,352**

	Activities undertaken directly 2025 £	*Support costs 2025 £*	*Total funds 2025 £*
Direct costs - Provision of sheltered accommodation	*427,732*	*89,024*	*516,756*

8. **Analysis of expenditure by activities (continued)**

Analysis of direct costs

	Direct costs - Provision of sheltered accommodation 2026 £	Total funds 2026 £
Staff costs	106,907	**106,907**
Depreciation	127,687	**127,687**
Water rates	21,303	**21,303**
Insurance	8,081	**8,081**
Lighting and heating	90,977	**90,977**
Repairs and maintenance	114,840	**114,840**
Upkeep of grounds	13,209	**13,209**
Cleaning and laundry	4,920	**4,920**
Warden call system	17,027	**17,027**
Sundries	2,744	**2,744**
Clerk's salary	7,750	**7,750**
Housing Association grant released	(14,038)	**(14,038)**
Telephone	748	**748**
	502,155	**502,155**

8. **Analysis of expenditure by activities (continued)**

Analysis of direct costs (continued)

	Direct costs - Provision of sheltered accommodation 2025 £	*Total funds 2025 £*
Staff costs	*104,131*	*104,131*
Depreciation	*99,884*	*99,884*
Water rates	*20,592*	*20,592*
Insurance	*6,363*	*6,363*
Lighting and heating	*94,057*	*94,057*
Repairs and maintenance	*72,433*	*72,433*
Upkeep of grounds	*15,654*	*15,654*
Cleaning and laundry	*2,948*	*2,948*
Warden call system	*15,852*	*15,852*
Sundries	*2,356*	*2,356*
Clerk's salary	*7,500*	*7,500*
Housing Association grant released	*(14,038)*	*(14,038)*
	427,732	*427,732*

Analysis of support costs

	Direct costs - Provision of sheltered accommodation 2026 £	**Total funds 2026 £**
Staff costs	33,202	**33,202**
Sundry expenses	2,782	**2,782**
Postage, stationery and advertising	7,113	**7,113**
Subscriptions	8,136	**8,136**
Bank charges	1,106	**1,106**
Consultancy and training	344	**344**
Professional fees	8,889	**8,889**
Governance costs	10,625	**10,625**
	72,197	**72,197**

8. **Analysis of expenditure by activities (continued)**

Analysis of support costs (continued)

	Direct costs - Provision of sheltered accommodation 2025 £	*Total funds 2025* £
Staff costs	*25,040*	*25,040*
Sundry expenses	*2,339*	*2,339*
Postage, stationery and advertising	*7,195*	*7,195*
Subscriptions	*5,869*	*5,869*
Bank charges	*1,137*	*1,137*
Consultancy and training	*1,535*	*1,535*
Professional fees	*35,067*	*35,067*
Governance costs	*10,228*	*10,228*
Bad debts	*614*	*614*
	89,024	*89,024*

The governance cost compromise of the following:

	2026 £	*2025* £
Auditors remuneration	**3,655**	*3,550*
Accounts preparation fees	**4,470**	*4,178*
Clerk's fees	**2,500**	*2,500*
	10,625	*10,228*

9. Schedule of outgoings on properties - 31 March 2026

	Rye Hill Homes	Thomas Horsley House	2026
	£	£	£
Water rates	7,077	14,226	21,303
Insurance	3,266	4,815	8,081
Lighting and heating	35,270	55,707	90,977
Repairs and maintenance	38,291	76,549	114,840
Upkeep of grounds	4,145	9,064	13,209
Cleaning and laundry	411	4,509	4,920
Warden call system	5,207	11,820	17,027
Telephone	-	748	748
Sundries	1,765	979	2,744
Clerk's fees	3,065	4,685	7,750
Housing Association grant received	-	(14,038)	(14,038)
Wages and salaries	48,238	58,669	106,907
Depreciation	51,835	75,852	127,687
	198,570	303,585	502,155

Schedule of outgoings on properties - 31 March 2025

	Rye Hill Homes	Thomas Horsley House	2025
	£	£	£
Water rates	6,477	14,115	20,592
Insurance	2,175	4,188	6,363
Lighting and heating	46,418	47,639	94,057
Repairs and maintenance	18,440	53,993	72,433
Upkeep of grounds	6,057	9,597	15,654
Cleaning and laundry	840	2,108	2,948
Warden call system	4,954	10,898	15,852
Sundries	38	2,318	2,356
Clerk's fees	3,196	4,304	7,500
Housing Association grant received	-	(14,038)	(14,038)
Wages and salaries	49,145	54,986	104,131
Depreciation	43,768	56,116	99,884
	181,508	246,224	427,732

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2026

10. Auditors' remuneration

	2026 £	2025 £
Fees payable to the Charity's current auditor for the audit of the Charity's annual accounts	3,655	3,550

11. Staff costs

	2026 £	2025 £
Wages and salaries	136,941	125,745
Social security costs	3,168	3,426
	140,109	129,171

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

	2026 No.	2025 No.
Number of employees	6	7

The average headcount expressed as full-time equivalents was:

	2026 No.	2025 No.
Number of employees	5	5

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

Key management remuneration, being costs relating to the Manager and the Clerk to the Trustees, amounted to £66,237 (2025: £53,002)

12. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits *(2025 - £NIL)*.

During the year ended 31 March 2026, no Trustee expenses have been incurred *(2025 - £NIL)*.

13. Net (losses)/gains on investments

	2026 £	*2025* *£*
Losses on disposal of share investment assets	**10,309**	*(17,040)*
Gains/(losses) on revaluations of share investment assets	**43,299**	*(722)*
	53,608	*(17,762)*

14. Income from lettings

	2026 £	*2025* *£*
Maximum contributions receivable	**315,770**	*284,935*
Less: Voids	**(3,900)**	*(11,458)*
	311,870	*273,477*

. Number of units

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

	2026 Number	*2025* *Number*
Thomas Horsley House	**41**	*41*
Rye Hill	**19**	*19*
	60	*60*

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

There has been no change in the opening and closing number of units.

15. Tangible fixed assets

	Freehold property £	Fixtures and fittings £	Total £
Cost or valuation			
At 1 April 2025	**2,718,265**	**582,169**	**3,300,434**
Additions	**31,068**	**-**	**31,068**
At 31 March 2026	**2,749,333**	**582,169**	**3,331,502**
Depreciation			
At 1 April 2025	**692,500**	**295,984**	**988,484**
Charge for the year	**77,064**	**50,623**	**127,687**
At 31 March 2026	**769,564**	**346,607**	**1,116,171**
Net book value			
At 31 March 2026	**1,979,769**	**235,562**	**2,215,331**
At 31 March 2025	*2,025,765*	*286,185*	*2,311,950*

Included in freehold property, plant and equipment is freehold land at deemed cost of £450,000 (2025 - £450,000) which is not depreciated and freehold buildings at deemed cost of £1,900,000 (2025 - £1,900,000). The Freehold Properties were revalued by Woodruff & Co. Chartered Surveyors using a fair value basis valuation to establish a deemed cost on transition to FRS102 and the Statement of Recommended Practice for Social Housing Providers 2014. The effective date of the revaluation was 10th August 2016. Woodruff & Co. Chartered Surveyors are an independent valuer.

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

16. Fixed asset investments

	Listed investments £	Other fixed asset investments £	Total £
Cost or valuation			
At 1 April 2025	**544,345**	**7,349**	**551,694**
Additions	**173,007**	**4**	**173,011**
Disposals	**(150,272)**	**-**	**(150,272)**
Revaluations	**43,208**	**-**	**43,208**
At 31 March 2026	**610,288**	**7,353**	**617,641**
Net book value			
At 31 March 2026	**610,288**	**7,353**	**617,641**
At 31 March 2025	*544,345*	*7,349*	*551,694*

All the fixed asset investments are held in the UK.

17. Debtors

	2026 £	*2025 £*
Due within one year		
Trade debtors	**16,334**	*11,489*
St Mary the Virgin Estate Management Charity	**5,015**	*10,613*
Prepayments and accrued income	**13,225**	*15,309*
	34,574	*37,411*

Trade debtors represent gross social housing rent arrears.

18. Creditors: Amounts falling due within one year

	2026 £	2025 £
Other loans	**10,500**	*10,500*
Trade creditors	**6,196**	*2,430*
Other taxation and social security	**2,754**	*-*
Other creditors	**1,018**	*354*
Accruals and deferred income	**35,981**	*41,345*
	56,449	*54,629*

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

	2026 £	2025 £
Other loans	**68,250**	*78,750*

Included within the above are amounts falling due as follows:

	2026 £	2025 £
Between one and two years		
Other loans	**10,500**	*10,500*
Between two and five years		
Other loans	**31,500**	*31,500*
Over five years		
Other loans	**26,250**	*36,750*

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

	2026 £	2025 £
Payable or repayable by instalments	**26,250**	*36,750*
	26,250	*36,750*

An interest free loan was obtained from Almhouse Association, amounting to £100,000 in 2023 .This is to be repaid in 10 years.

20. Financial instruments

	2026	2025
	£	£
Financial assets		
Financial assets measured at fair value through income and expenditure	**184,683**	*187,878*

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

21. Accruals and deferred income

	2026	2025
	£	£
Government Grants	**56,159**	*70,197*

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

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

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

22. Statement of funds

Statement of funds - current year

	Balance at 1 April 2025 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2026 £
Unrestricted funds					
Revaluation reserve	**686,013**	**-**	**-**	**-**	**686,013**
Major planned expenditure reserve	**250,000**	**-**	**-**	**-**	**250,000**
General Funds	**1,949,344**	**510,473**	**(578,067)**	**53,608**	**1,935,358**
	2,885,357	**510,473**	**(578,067)**	**53,608**	**2,871,371**

Statement of funds - prior year

	Balance at 1 April 2024 £	*Income* £	*Expenditure* £	*Gains/ (Losses)* £	*Balance at 31 March 2025* £
Unrestricted funds					
General Funds - all funds	*1,960,692*	*509,664*	*(520,290)*	*(722)*	*1,949,344*
Revaluation reserve	*686,013*	-	-	-	*686,013*
Major planned expenditure reserve	*250,000*	-	-	-	*250,000*
	2,896,705	*509,664*	*(520,290)*	*(722)*	*2,885,357*

23. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2026 £	Total funds 2026 £
Tangible fixed assets	2,215,331	**2,215,331**
Fixed asset investments	617,641	**617,641**
Current assets	219,257	**219,257**
Creditors due within one year	(56,449)	**(56,449)**
Creditors due in more than one year	(68,250)	**(68,250)**
Provisions for liabilities and charges	(56,159)	**(56,159)**
Total	2,871,371	**2,871,371**

Analysis of net assets between funds - prior year

	Unrestricted funds 2025 £	*Total funds 2025 £*
Tangible fixed assets	*2,311,950*	*2,311,950*
Fixed asset investments	*551,694*	*551,694*
Current assets	*225,289*	*225,289*
Creditors due within one year	*(54,629)*	*(54,629)*
Creditors due in more than one year	*(78,750)*	*(78,750)*
Provisions for liabilities and charges	*(70,197)*	*(70,197)*
Total	*2,885,357*	*2,885,357*

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

	2026 £	*2025 £*
Net expenditure for the year (as per Statement of Financial Activities)	**(13,986)**	*(11,348)*
Adjustments for:		
Depreciation charges	**127,687**	*99,884*
Losses/(gains) on investments	**(43,208)**	*722*
Dividends, interest and rents from investments	**(17,401)**	*(17,168)*
Decrease/(increase) in debtors	**4,505**	*(25,161)*
Increase/(decrease) in creditors	**1,820**	*(10,551)*
Release of grant	**(14,038)**	*(14,038)*
Net cash provided by operating activities	**45,379**	*22,340*

25. Analysis of cash and cash equivalents

	2026 £	*2025 £*
Cash in hand	**184,683**	*187,878*
Total cash and cash equivalents	**184,683**	*187,878*

26. Analysis of changes in net debt

	At 1 April 2025 £	Cash flows £	At 31 March 2026 £
Cash at bank and in hand	**187,878**	**(3,195)**	**184,683**
Debt due within 1 year	**(10,500)**	**-**	**(10,500)**
Debt due after 1 year	**(78,750)**	**10,500**	**(68,250)**
	98,628	**7,305**	**105,933**

27. Contingent liabilities

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

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

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

28. Operating lease commitments

At 31 March 2026 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2026 £	*2025* *£*
Not later than 1 year	**3,244**	*2,054*
Later than 1 year and not later than 5 years	**5,606**	*5,425*
Later than 5 years	**-**	*1,130*
	8,850	*8,609*

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

	2026 £	*2025* *£*
Operating lease rentals	**2,844**	*2,894*

29. Related party transactions

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

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

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