

Greenwich Hospital and
Travers Foundation

Annual report and accounts 2024-2025

Greenwich Hospital and Travers Foundation

Annual report and accounts 2024-2025

For the year ended 31 August 2025

Presented to Parliament pursuant to section 49 of the Greenwich
Hospital Act 1865 and section 21 of the Armed Forces Act 1976

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Contents

Legal and administrative information	5
Objectives and activities	8
Achievements and performance	10
Financial review	13
Future plans	16
Structure, governance and management	17
Statement of Secretary of State for Defence's and Director's responsibilities	23
Statement as to disclosure of information to auditors	23
The certificate and report of the Comptroller and Auditor General to the Houses of Parliament	24
Greenwich Hospital Accounts	29
Consolidated statement of financial activities	29
Charity statement of financial activities	30
Consolidated and charity balance sheet	31
Consolidated and charity cash flow	32
Notes to the accounts	33
Travers Foundation Accounts	62

GREENWICH HOSPITAL

LEGAL AND ADMINISTRATIVE INFORMATION

Responsible for the governance of Greenwich Hospital on behalf of the Sovereign

Secretary of State for Defence

Director and Accounting Officer

Deirdre Mills

Advisory Board

Vice Admiral Sir Martin Connell KCB CBE	Chair	(retired 30 September 2025)
Vice Admiral Paul Beattie CBE	Chair	(appointed 1 October 2025)
Sarah Davies	Deputy Chair	(retired 14 March 2025)
Sam Caughey	Deputy Chair	(appointed 1 September 2025)
Ian Harwood		(retired 1 September 2024)
Richard Hunting		(retired 1 September 2024)
Christopher Tite		(retired 1 September 2024)
Philip Lawford		
Mark Lewthwaite		
Deirdre Mills		
Kiran Patel		
Edward Skeates		
Trevor Rowell		
Robert Hayes		
Nigel Bolton		
Rear Admiral James Parkin CB CBE		(appointed 7 October 2024)
Bethany Burrow		(appointed 7 October 2024)
Martin Coles		(appointed 7 October 2024)

Royal Hospital School Governing Body

Trevor Rowell	Chair	(retired 28 November 2025)
Deirdre Mills		(retired 28 November 2025)
Commodore Rob Bellfield CBE		(retired 13 June 2025)
Tan Arulampalam		(retired 28 November 2025)
Adam Kerr		(retired 13 September 2024)
Tony Stenning		(retired 28 November 2025)
Paul Torrington		(retired 13 June 2025)
Tessa Bartlett		(retired 28 November 2025)
Heather Hunt		(retired 28 November 2025)
Alison Beech		(retired 28 November 2025)
Yvonne Spencer		(retired 28 November 2025)
Martin Coles		(appointed 18 October 2024 & retired 28 November 2025)
Oliver Roe		(appointed 18 October 2024 & retired 28 November 2025)

GREENWICH HOSPITAL

Senior staff

Deirdre Mills	Director of Greenwich Hospital	
Laura Callanan	Director of Finance and Resources	(also Clerk-in-Charge)
Jonathan Ball OBE	Director of Grants	
Kate Hygate	Director of Governance	
Michael Cunningham	Director of Investment Property	(from 18 February 2025)
Irfan Latif	Headmaster, Royal Hospital School	(from 1 September 2024 to 28 November 2025)
Garry Tunnicliffe CBE	Chief Operating Officer, Royal Hospital School	(to 28 November 2025)
Catriona Wood	Interim Director of Finance and Operations, Royal Hospital School	(to 28 November 2025)

Principal office

Third Floor, 1-2 Bolt Court,
London
EC4A 3DQ

Auditor

The Comptroller and Auditor General
National Audit Office
157-197 Buckingham Palace Road
London
SW1W 9SP

Reporting accountants

Scrutton Bland
Fitzroy House
Crown Street
Ipswich
IP1 3LG

Bankers

Government Banking Service
7th Floor, Southern House
Wellesley Grove
Croydon
CR9 1WW

Barclays plc
1 Churchill Place
Canary Wharf
London
E14 5HP

GREENWICH HOSPITAL

Solicitors	Winckworth Sherwood Arbor 255 Blackfriars Road London SE1 9AX
Investment manager	Newton Investment Management Limited Mellon Financial Centre 160 Queen Victoria Street London EC4V 4LA
Sheltered housing manager	Church of England Soldiers', Sailors' & Airmen's Clubs 1 Shakespeare Terrace 126 High Street, Portsmouth PO1 2RH
Actuaries	Isio Group Limited AMP House Dingwall Road Croydon CR0 2LX
Property managers	Knight Frank 55 Baker Street London W1U 8AN Savills The Lumen, St James Boulevard Newcastle Helix, Newcastle upon Tyne NE4 5BZ Savills Fraser House 23 Museum Street, Ipswich IP1 1HE

GREENWICH HOSPITAL

OBJECTIVES AND ACTIVITIES

Introduction

The Letters Patent of William and Mary dated 25 October 1694 established the Royal Hospital for Seamen (latterly known as Greenwich Hospital) as a home for retired seamen of the Royal Navy. It also provided support for seamen's widows and education for their children, the improvement of navigation and the encouragement of seamen. The first pensioners arrived at Greenwich in 1705 and by 1800 more than 2,000 lived there. With changing social conditions, the last pensioner left in 1869. Greenwich Hospital then devoted its resources to paying pensions and educating children. It now provides sheltered housing, educational bursaries and grants, including substantial grants to charities and other organisations supporting serving and former Royal Naval personnel and their families. It also includes the Royal Hospital School in Holbrook, Suffolk.

Greenwich Hospital's original buildings at Greenwich were used as the Old Royal Naval College until 1998. The buildings are now managed by the Greenwich Foundation. The Foundation is an independent charity which sublets to Greenwich University and the Trinity Laban Conservatoire of Music and Dance. The buildings once used by the Royal Hospital School in Greenwich are occupied by the National Maritime Museum, to the freehold of which the Hospital has reversionary rights.

Greenwich Hospital is funded by the income from its property portfolio in Greenwich, Suffolk, Essex, Northumberland, Tyne and Wear and the Scottish Borders, its financial investments and, until 31 October 2024, an investment in the Pollen Estate in London.

On behalf of the Sovereign, the Secretary of State for Defence is responsible for the governance of Greenwich Hospital with its day-to-day management through the Director of Greenwich Hospital.

Charitable objects

Greenwich Hospital's Royal Charter of 1694 charges the organisation with:

"The reliefe and support of seamen serving onboard the Shippes or Vessells belonging to the Navy Royall who by reason of Age, Wounds or other disabilities shall be incapable of further Service at Sea and being unable to maintain themselves.

And for the Sustentation of the Widows and the Maintenance and Education of the Children of Seamen happening to be slain or disabled.

Also for the further reliefe and Encouragement of Seamen and Improvement of Navigation"

Greenwich Hospital continues to support Royal Naval personnel by offering charitable assistance to them and their families throughout their lives both during and after their Naval Service.

GREENWICH HOSPITAL

24-25 aims and objectives

Greenwich Hospital's key aims and objectives for 2024-25 are set out in this annual report with an assessment of progress against them in the section on 'delivery against objectives', as well as under the relevant operational headings below and in the financial review.

At the time of the signing of these accounts, discussions were continuing regarding the legal structure of Greenwich Hospital as a Crown body. These discussions may lead to reform. These changes are not intended to alter the purposes for which GH assets are applied, or the charitable nature of the organisation. The proposals are not at a sufficient stage for disclosure and are expected to be enacted more than twelve months from the signing of these accounts.

Public benefit statement

As a unique Crown body, Greenwich Hospital is governed by the Greenwich Hospital Acts 1865 to 1996, passed over the years to reflect changing social circumstances and the evolution of the organisation. Greenwich Hospital is not subject to the jurisdiction of the Charity Commission, but it seeks to follow best practice in the charity sector while meeting the requirements of its own legislation. While Greenwich Hospital is not a registered charity, references to charity or the charity in the financial statements are references to Greenwich Hospital.

Greenwich Hospital has taken account of the Charity Commission's general guidance on public benefit when reviewing its aims and objectives, planning future activities and setting the grant making policy for the year. Greenwich Hospital delivers public benefit in accordance with its Royal Charter through the provision of sheltered housing, educational bursaries and grants for Royal Naval personnel and their families and providing substantial grants to charities and other organisations supporting serving and former Royal Naval personnel and their families.

GREENWICH HOSPITAL

ACHIEVEMENTS AND PERFORMANCE

Introduction to activities

Greenwich Hospital provides funding to support serving and retired Royal Navy and Royal Marines personnel and their families.

Grant making

Greenwich Hospital is the single largest funder of support for the Royal Naval Family, providing funding to meet the education, welfare and acute needs of serving and former Royal Naval communities, and delivering against the objectives in the original Letters Patent. Funding is wide ranging, and a breakdown is shown below:

Grants

Greenwich Hospital has delivered charitable funding via three main funding streams.

	2024-25	2023-24
	£m	£m
Acute needs	3.5	3.2
Welfare	1.2	1.4
Education	1.6	0.9
	6.3	5.5

Grants of more than £0.1m are given below:

- Royal Navy and Royal Marines Charity: £1.375m (2023-24: £1.375m) paid to fund support to individuals and families in acute need delivered through the RN Benevolent Trust, Naval Children's Charity and Sailors' Children's Society, caseworkers from SSAFA – The Armed Forces Charity and pastoral workers from the Dame Agnes Weston's Royal Charity for the Naval Service.
- Royal Naval Benevolent Trust: £0.89m (2023-24: £1.11m) was given to assist former Royal Navy personnel and partners on very low incomes through regular charitable payments.
- The Royal Naval Sailing Association: £0.49m (2023-24: £0.34m) was received by RNSA in order to pilot the Sail Together Youth Crew sailing programme with RYA-accredited sailing training offered free of charge to over 400 children of serving personnel.
- Andrew Simpson Foundation: £0.3m (2023-24: £0.1m) was given for over 12,000 free non-means-tested swimming lessons to 1100+ children of serving personnel....
- Seafarers Advice and Information Line (SAIL): £0.19m (2023-24: £0.17m) was given for the in-depth casework service run by Citizens Advice Greenwich for seafarers and their dependents. It provides advice and advocacy on benefits and tax credits, debt, housing, immigration, relationships and family, tax and National Insurance and other topics.
- Forces Employment Charity: £0.27m (2023-24: £0.12m) for Project Nova providing support for veterans who are in contact with the criminal justice system, enabling them to access the services they need, 85% of whom do not reoffend (against a 25% national average).
- Naval Children's Charity: £0.31m (2023-24: £0.1m) paid for a Project Manager for NCC's Life Chances programme, and for an extended 'Leaders Unlocked' workshop which led to the creation of a Youth Council to co-create future programmes, and also for an outreach worker based in Helensburgh to support the families of submariners.
- Forces Children Scotland - £0.10m to provide support services in Scotland to the children of serving and former serving Naval personnel and training to teaching staff.
- The Royal Alfred Seafarers Society - £0.24m to provide stabilization support enabling recovery following a refurbishment of the dementia ward which led to reduced occupancy.

GREENWICH HOSPITAL

- Combat Stress - £0.25m to provide acute therapeutic intervention for veterans presenting with complex service-attributed mental ill-health.
- Veterans' Launchpad - £0.13m to provide housing and assistance with stabilization and employment for homeless RN and RM veterans.
- Royal Marines Association - £0.1m to provide emergency grants to serving and former serving personnel and families in acute need.

Royal Hospital School

Founded in 1712, the Royal Hospital School has long been recognised for its outstanding holistic education, exceptional pastoral care, and strong sense of community. While the school's origins lie in educating the children of Royal Navy sailors, its community has since broadened. Today the Royal Hospital School is a co-educational school with a much smaller number of children coming from naval families.

Through an agreed transfer of ownership, on 28 November 2025, the Royal Hospital School joined the Inspired Learning Group, allowing Greenwich Hospital to honour its enduring commitment to the Royal Navy community and for the school's continued growth and development.

Greenwich Hospital bursaries are and will continue to be available to Naval families with evidenced educational and/or pastoral need: in 2024-25 Greenwich Hospital funded 26 (2023-24: 21) bursaries and discounts to pupils from qualifying families at a cost of £0.6m.

Sheltered housing

Greenwich Hospital provides three sheltered housing schemes, with a total of 91 flats in Southsea (Greenwich Court), Saltash (Greenwich Place) and Greenwich (Trafalgar Quarters). Each provides one and two-bedroom accommodation built to modern standards. The tenants pay subsidised rent to contribute to the costs of running the schemes. Flats are allocated based on need and are currently fully let. Residents must be over 60 and either veterans or partners or widows of veterans. Greenwich Hospital has contracted with the Church of England Soldiers', Sailors' & Airmen's Clubs charity (in partnership with its sister Housing Association, a regulated registered provider of social housing), to manage the schemes. The schemes are accredited by Emerging Role Of Sheltered Housing (EROSH) and are largely well-positioned to meet the Government's Net Zero Carbon targets.

The properties associated with the schemes were valued at £7.0m at the year-end (2023-24: £7.2m).

Research

Greenwich Hospital completed its 'Meeting the Needs' research programme with RAND Europe which has identified community demographics and need out to 2040. This research will help Greenwich Hospital to target its funding to where it will have the greatest impact in the immediate and longer term. £84,128 was invested in the programme this year (2023-24: £84,128). Together with financial modelling undertaken by EY commencing in July 2025, the research will enable the development of a funding strategy out to 2040.

Subsidiary undertakings

The group comprises the parent, Greenwich Hospital (the 'Charity') and three subsidiary undertakings - Royal Hospital School Charitable Trust, GH1 (formerly Royal Hospital School Enterprises Limited), and the Travers Foundation.

Greenwich Hospital divested of its interest in the Harkstead Road Management Company on 5 November 2024 and in Throckley North Management Company on 31 December 2024. GH1 (formerly The Royal Hospital School Enterprises Limited) is a dormant entity and the Royal Hospital School Charitable Trust no longer falls under the responsibility of Greenwich Hospital from 28 November 2025.

GREENWICH HOSPITAL

Details of the subsidiary undertakings and their results for the year can be found in note 4 of the financial statements. The combined year-end value of the subsidiary undertakings was £15.81m (2023-24: £11.6m).

There is a legal obligation to present the Travers Foundation accounts separately to Parliament and a copy of the Foundation's accounts therefore follows the accounts of the Hospital.

Delivery against objectives

During 2024-25, Greenwich Hospital focused on four key areas:

- I. Continue to develop a strategy for reform for Greenwich Hospital, improving the beneficiary experience and improving organisational governance.

Work continues with the Ministry of Defence to seek to secure legislative reform of Greenwich Hospital. In the interim, Greenwich Hospital has established a robust committee structure to scrutinise and advise on Greenwich Hospital's activities. Greenwich Hospital continues to work closely with the Royal Navy, the Royal Navy charity sector and other strategic partners to improve the beneficiary experience.

- II. Restructure the property and investments portfolios in accordance with the new strategies.

Greenwich Hospital had a holding of 10.253% in the Pollen Estate, which it disposed in October 2024. Review of the property and investment portfolio continues, to better align income generating assets with Greenwich Hospital's charitable aims and increase charitable giving.

- III. Review the results from the commissioned research and ensure funding is targeted to where it will have the greatest impact in the short and medium term.

Greenwich Hospital completed its 'Meeting the Needs' research programme with RAND Europe which has identified community demographics and need out to 2040. This research will help Greenwich Hospital to target its funding to where it will have the greatest impact in the immediate and longer term. Together with financial modelling undertaken by EY commencing in July 2025, the research will enable the development of a funding strategy out to 2040.

- IV. Continue to work collaboratively with the Royal Navy and Royal Marines Charity and other Navy and tri-service funders to improve the beneficiary experience.

Greenwich Hospital continues to work closely and collaboratively with the Royal Navy, the Royal Navy charity sector and other strategic partners to improve the beneficiary experience.

GREENWICH HOSPITAL

FINANCIAL REVIEW

Review of financial position

The net operating result, before gains on investments, for 2024-25 for the Group was a deficit of £10.5m, an increase of £10.3m from the deficit of £0.2m in the previous year. Predominantly this was due to a rise in expenditure of £8.9m (2024-25: £44.1m, 2023-24: £35.2m) driven by impairment of Royal Hospital School charitable assets. Additionally, income reduced in year. The main contributor to the fall in income was a decrease of £1.7m from the Royal Hospital School.

Net gains on investments amounted to £11.5m in 2024-25 (2023-24: £23.3m). Investment properties gained £2.1m compared with a gain of £5.1m in the previous year. Indirect financial investments in equities and bonds rose in value by £8.8m compared to a gain of £12.2m in 2023-24.

Other recognised gains and losses saw a gain of £1.7m against £0.3m gain in the prior year. The gain is attributable to an actuarial gain of £1.9m on the pension liability and driven partly in the current year by a change in financial assumptions.

An operating deficit of £10.5m along with net gains on investments and the actuarial gain on the pension scheme resulted in a net movement on funds of £2.7m (2023-24: £23.4m).

Funds as at 31 August 2025 were £454.6m - an increase of £2.7m from £451.9m at the end of 2023-24. Cash decreased from £26.2m to £20.4m.

Current liabilities have decreased from £14.0m in 2023-24 to £12.5m at the end of 2024-25, largely driven by a decrease in School fees received in advance.

The pension liability for the defined benefit scheme fell to £18.1m from £20.2m.

Investments

Investment property portfolio

Greenwich Hospital and Travers Foundation have an investment property portfolio valued at £202.0m, compared with £201.0m at the end of 2023-24. The portfolio includes property in Greenwich, the north-east of England and Scottish Borders, Suffolk and Essex. Net income (including allocated support costs) from the portfolio was £5.3m in 2024-25 (2023-24: £3.5m).

The Greenwich Estate comprises commercial units, a market, residential and heritage properties in Greenwich town centre and within the World Heritage Site. The Estate is managed on the Hospital's behalf by Knight Frank LLP.

The Northern Estates are in Northumberland, Tyne and Wear and the Scottish Borders. The properties are a mix of agricultural, residential, commercial and forestry land. The Estate is managed on Greenwich Hospital's behalf by Savills.

Greenwich Hospital continued to develop its site at Throckley near Newcastle on Tyne for sale to house builders by putting in infrastructure mostly prior to phased sales. The infrastructure work was largely completed by 2021-22 but continues as house building progresses in the final phases.

The property in Suffolk includes the Holbrook Estate which was formerly a traditional rural estate surrounding the Royal Hospital School. It comprises parcels of arable farmland, grassland, woodland, foreshore and reed beds together with a portfolio of houses.

GREENWICH HOSPITAL

The Travers Foundation, a part of the Hospital Group, also owns land near Clacton in Essex. On 31 October 2025, it disposed of the freehold land at Bovills Hall, made up primarily of land that could be designated for mixed use development, for a total consideration of £14.8m.

Both holdings are managed on Greenwich Hospital's behalf by Savills.

Direct financial investment

Greenwich Hospital had a holding of 10.253% in the Pollen Estate, which it disposed in October 2024 for £81.5m.

Indirect financial investments in equities and fixed interest instruments

Greenwich Hospital has £144.7m (2023-24: £135.0m) in pooled funds along with £81.5m in Money Market Funds. The investments are managed on Greenwich Hospital's behalf by Newton Investment Management.

Net income from financial investments was £4.3m during 2024-25 practically unchanged from the prior year.

The share of the portfolio is invested in pooled funds to obtain a balance of investments across different geographic areas, industries and asset classes. Each fund is benchmarked against a relevant index and the overall portfolio is benchmarked against a composite benchmark.

Greenwich Hospital seeks to produce the best financial return within an acceptable level of risk. The investment objective is to generate a total return of inflation plus 4.5% per annum over the long term, after expenses. This should allow the organisation to at least maintain the real value of the assets, whilst funding annual expenditure in the region of £6.0m per annum from investments. Greenwich Hospital adopts a total return approach to investment, generating the investment return from income and capital gains or losses. In any one year the total return may be insufficient to meet expenditure. In these instances, cash is released through sales. In the long term, the real value of the portfolio will still be maintained. The funds are in three portfolios for historical reasons, but their investment objectives are the same.

The total gross return on the total pooled fund was 8.0% at 31 August 2025 (2023-24: 12.5%). The total return net of fees was 7.6% (2023-24: 12.1%). The capital component of the total gross return was 6.6% (2023-24: 9.0%). Greenwich Hospital manages its investments on a total return basis on a 7-10 year horizon. Year-on-year fluctuations are expected, and the target return is CPI +4.5% over the long-term.

The proceeds of £81.5m emanating from Greenwich Hospital's disposal of its interest in the Pollen Estate were invested in short-term money market funds managed by Newton Investment Management. The aim of the fund is to provide stability of capital and daily liquidity, seeking to offer an income comparable to short-term sterling interest rates.

Distribution of £2.9m was received during the period which is equivalent to a return of 3.6% over 9.5 months, 4.5% on an annualised basis.

Greenwich Hospital's Finance Committee provides the Director of Greenwich Hospital with advice on investment matters. Decision making on investment matters is delegated to the Director of the Hospital within the investment policy formulated by the Finance Committee.

GREENWICH HOSPITAL

Reserves

Reserves policy

Greenwich Hospital's unique status ensures that its assets are protected so as to provide sufficient funds for its charitable purpose both now and in the future. However, whilst the commercial assets are treated as an endowment, they are technically free and unrestricted and this is reflected in the reserves calculation.

It is the policy of Greenwich Hospital that unrestricted funds which have not been designated for a specific use should be maintained at a minimum level equivalent to twelve months expenditure. The Finance Committee consider that reserves at this level will ensure that in the event of a significant drop in funding, they will be able to continue with the organisation's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year. As at 31 August 2025, the unrestricted balance of its group reserves was £453.0m (2023-24: £450.5m), which, adjusting for non-liquid assets including fixed assets and investment property, gives adjusted free reserves of £221.4m (2023-24: £212.5m). Adjusted free reserves would cover 6.3 years of annual operating expenditure excluding impairment (2023-24: 6 years).

Designated reserves

As was the case in the prior year, the Royal Hospital School had an insignificant amount of designated reserves relating to specific projects.

Although not identified as a designated fund, £18.1m (2023-24: £20.2m) of Greenwich Hospital's unrestricted funds are to meet the pension liability of the defined benefit scheme as identified in note 10. This scheme is closed to new entrants and to further liability.

Restricted reserves

Restricted reserves represent monies received by way of gifts and historic legacies where the use is limited by specific conditions. They relate to the Royal Hospital School and include funds for bursaries and for specific clubs and societies. Restricted reserves totaled £1.6m at the year-end (2023-24: £1.4m) including £1.2m (2023-24: £1.0m) relating to the Royal Hospital School's charitable trust, whose funds are all restricted as they can only be used for the School.

Other reserves

The balance of the assets of Greenwich Hospital are held to generate return for activities in accordance with the Royal Charter of Greenwich Hospital. Additional income relates to the Royal Hospital School and sheltered housing. Greenwich Hospital has the option of spending all, or part, of the capital of these assets as well as any income produced, and as such records them as unrestricted.

Greenwich Hospital seeks to manage its financial assets (pooled funds) and property investments on a total return basis so that the value of the investment, and hence return produced for its charitable output, at least keeps pace with inflation over the very long term. By its nature, these funds are more akin to an endowment rather than 'free' reserves and a separate policy governing general reserves is not believed to be relevant.

GREENWICH HOSPITAL

Liquidity

Greenwich Hospital's policy is to maintain sufficient liquidity to meet the commitments made for charitable activities and capital improvements but not to the extent that it impacts negatively on investment returns. Liquidity is reviewed each year as part of the budgeting process to ensure it is consistent with the organisation's aims and monitored throughout the year. Greenwich Hospital is able to liquidate financial investments at short notice if required.

Payments to suppliers

Greenwich Hospital aims to pay suppliers in accordance with contractual terms. In 2024-25, the organisation paid its suppliers on average within 19 days (2023-24: 8 days), calculated using the year-end amount owed to trade creditors as a proportion of the amount invoiced during the year.

FUTURE PLANS

The primary aims for 2025-26 are:

- I. Continue to develop a strategy for legislative reform for Greenwich Hospital, improving the beneficiary experience and improving organisational governance.
- II. Develop and deliver a strategic grants strategy based on the RAND and EY studies and RN priorities.
- III. Continue to review and develop the investment portfolio to align return generating assets with charitable strategy.

GREENWICH HOSPITAL

STRUCTURE, GOVERNANCE AND MANAGEMENT

Nature of governing document and how the charity is constituted

Greenwich Hospital is a Crown body. The constitution of Greenwich Hospital is set out in the Letters Patent of 1694 and its charitable objects are governed by the subsequent Greenwich Hospital Acts 1865 to 1996 and the Defence (Transfer of Functions Act) 1964.

The Secretary of State for Defence is responsible for the governance of Greenwich Hospital on behalf of the Sovereign, with the day-to-day administration of the organisation delegated to the Director of Greenwich Hospital who is the Accounting Officer. The Advisory Board provides advice on Greenwich Hospital's strategic policy and the Finance Committee provides advice on finance and investment matters.

The legal personality of Greenwich Hospital is the Secretary of State for Defence, acting in execution of the Greenwich Hospital Acts 1865 to 1996 and the Defence (Transfer of Functions) Act 1964. The Secretary of State for Defence holds all the land, property and financial assets of Greenwich Hospital in trust for the Sovereign for the exclusive benefit of Greenwich Hospital (Greenwich Hospital Act 1865 s.23).

Advisory Board

An Advisory Board chaired by the Second Sea Lord advises on the management of Greenwich Hospital on behalf of the Admiralty Board and Secretary of State for Defence. It also provides advice to the Director of Greenwich Hospital and the Admiralty Board.

Members of the Advisory Board are appointed by the Secretary of State for Defence, with terms of office intended to ensure smooth transitions, and with strength and depth in terms of professional expertise, qualification and experience. These appointed non-executive members bring significant skills. They receive no remuneration or other benefits from their considerable commitment of time to Greenwich Hospital, although reasonable expenses are paid where appropriate.

All new Advisory Board members receive a comprehensive induction pack. They have induction meetings with key members of the Senior Leadership Team and are offered visits to beneficiaries.

Members of the Advisory Board during 2024-25 are listed below with the number of meetings they attended. There were four meetings during the year.

Vice Admiral Sir Martin Connell KCB CBE	Second Sea Lord and Deputy Chief of Naval Staff (Chair from January 2022)	4 (out of 4)
Sarah Davies	Finance Director, Royal Navy	2
Deirdre Mills	Director	4
Mark Lewthwaite		4
Kiran Patel		4
Edward Skeates		4
Philip Lawford		4
Trevor Rowell		4
Robert Hayes		4
Nigel Bolton		4
Bethany Burrow		3
Martin Coles		2
Rear Admiral James Parkin CB, CBE		4

GREENWICH HOSPITAL

Finance Committee

The Finance Committee provides advice to the Director of Greenwich Hospital for the formulation of Greenwich Hospital's investment strategy. The Committee also monitors its implementation with the objective of safeguarding Greenwich Hospital's investment assets and maximising the total return from them. Members of the Finance Committee are appointed by the Secretary of State for Defence and its members bring significant skills to the work of Greenwich Hospital. Members of the Finance Committee receive no remuneration or other benefits although reasonable expenses are paid where appropriate.

The Finance Committee receives an update on the management accounts, financial investments and investment property for information and advice at each meeting.

Members of the Finance Committee during 2024-25 are listed below with the number of meetings they attended. There were three meetings during the year.

Sarah Davies	Finance Director, Royal Navy (Chair)	2 (out of 3)
Deirdre Mills	Director	3
Mark Lewthwaite		3
Edward Skeates		3
Kiran Patel		3
Robert Hayes		3
Nigel Bolton		3

Audit Committee

The Audit Committee is comprised of Advisory Board members. It is responsible for advising the Advisory Board on the Annual Report and Accounts of Greenwich Hospital, the accounting policies and the financial reporting judgements included therein. The committee seeks to maintain an appropriate relationship with the auditor and receives and reviews the annual audit completion report from the National Audit Office. It also advises on the relationship with the internal auditors and receives their reports. The committee monitors the effectiveness of Greenwich Hospital's risk management and internal control systems and provides an assessment of the risk processes and policies to the Advisory Board.

Members of the Audit Committee during 2024-25 are listed below with the number of meetings they attended. There were three meetings during the year.

Mark Lewthwaite	Chair	3 (out of 3)
Deirdre Mills	Director	3
Kiran Patel		3
Bethany Burrow		3

Charity and Education Committee

The Charity and Education Committee advises the Director of Greenwich Hospital and the Advisory Board on all areas of charitable activity, including grants, bursaries, sheltered housing, and the Royal Hospital School, and monitors the impact of all charitable activity.

Governance and People Committee

The Governance and People Committee advises on the composition of the Advisory Board and Finance Committee, the development of policies and the implementation of practices, and the remuneration and objectives of the Director of Greenwich Hospital.

GREENWICH HOSPITAL

Director of Greenwich Hospital

The Director of Greenwich Hospital is responsible by Order in Council No. 58 dated 16 April 1886 and a directive from the Secretary of State for Defence for the proper and effective conduct of the functions of Greenwich Hospital including the regularity and propriety of Greenwich Hospital's administration, adhering faithfully to the spirit of the Charter and complying with the relevant statutes.

The Director of Greenwich Hospital is responsible for the preparation and submission for audit of the annual accounts of Greenwich Hospital and for signing and dating the review of achievements and performance and the balance sheet.

Senior staff

The Director is authorised to delegate their powers and responsibilities to members of Greenwich Hospital staff as they see fit except for the power to authenticate the seal of the Secretary of State for Defence for which authority is solely given to the Director and Clerk-in-Charge. Such delegation is made on a personal basis and in writing. In addition, the Clerk-in-Charge of Greenwich Hospital also the Director of Finance and Resources, is authorised to assume any of these powers and responsibilities in the Director's absence without specific further direction.

Royal Hospital School

Through an agreed transfer of ownership, which completed on 28 November 2025, the Royal Hospital School joined the Inspired Learning Group. Until 28 November 2025, the Royal Hospital School was owned and operated by Greenwich Hospital and had no separate legal identity from Greenwich Hospital. The Headmaster had responsibility to the Secretary of State for Defence, acting through the Director of Greenwich Hospital, for the overall management and leadership of the School.

A Governing Body was appointed to advise on the strategic management and workings of the Royal Hospital School.

Performance of the Advisory Board and Finance Committee

The principal achievements of Greenwich Hospital during the year are highlighted elsewhere in the Annual Report and Accounts.

Minutes of the Advisory Board, Finance Committee and subcommittees are circulated to all members with papers in advance of the meetings. The Chairs of the Committees highlight any matters of note for the attention of the Advisory Board.

There is a wide range of information and data (financial and otherwise) routinely available to members of the various advisory and management bodies, including management accounts. This enables the Advisory Board and Finance Committee to provide well-informed advice to the Director.

GREENWICH HOSPITAL

Accounting framework

The Annual Accounts are prepared by Greenwich Hospital as required by legislation, the Greenwich Hospital Act 1865 (s.47), as amended by the Greenwich Hospital Act 1885 (s.4), and are audited by the National Audit Office (NAO).

Due to the charitable nature of most of Greenwich Hospital's activities, the accounts have been prepared to comply with the underlying principles of 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 Charities SORP).

The Secretary of State for Defence is responsible for the governance of Greenwich Hospital and as a representative of the Crown, acts in execution of the Greenwich Hospital Acts (1865 to 1996) for the exclusive benefit of the organisation.

Greenwich Hospital is a Crown body but not a public authority. It performs no public function, nor is it funded by any public money. Its accounts are audited by the National Audit Office and laid before Parliament. The accounts do not form part of the Ministry of Defence's accounts.

Financial management

There is an effective system of financial control throughout Greenwich Hospital's activities. Accounts are maintained in a form which meets Greenwich Hospital's internal management needs, the requirements of the Charities SORP and the needs of the Advisory Board and Finance Committee. No funds from Greenwich Hospital are paid or disposed of without proper authorisation and such authorisation is preceded by appropriate scrutiny of requirements and value for money considerations. Major projects are subject to a formal investment appraisal.

All of Greenwich Hospital's directly held property and financial investments, as well as its sheltered housing provision, are managed by independent specialists. The specialist managers are required to provide regular financial reports, with challenge from Greenwich Hospital's management where results significantly differ from budgets and expected performance.

Management information

Executive information, including all financial reporting, is prepared either by Greenwich Hospital staff or external professional consultants. Advisory Board endorsement, where required, is given based on it being satisfied that the data is accurate and of sufficient quality.

Board meetings and committee meetings are minuted and amendments to management reports or information are approved where necessary. The minutes and papers of the Advisory Board and Finance Committee are deposited periodically in the National Archives as a matter of public record. Monthly management accounts are produced for the senior leadership team, and the most recent versions are reported to the Finance Committee.

Compliance with the Corporate Governance Code

To the extent that it is deemed relevant and practical, Greenwich Hospital has followed the requirements set out in the 2017 Code (Corporate governance in central Government departments: Code of good practice), which is focused on the role of boards.

GREENWICH HOSPITAL

Risk management

Greenwich Hospital has an established approach to risk management which operates in line with the development of the charity. The risk review process is designed to consistently identify and prioritise risks to the achievement of its charitable aims and objectives, to evaluate the likelihood and impact of those risks being realised, and to manage them efficiently, effectively and economically.

Greenwich Hospital takes its responsibilities seriously in relation to compliance, regulation and key strategic risks. In the property and financial investment portfolios, the organisation is prepared to take calculated risk where it can be justified by the potential return for charitable purposes. Risk appetite is discussed by the Advisory Board and its subcommittees and the senior leadership team which determines whether the overall level of risk profile is in line with the organisation's risk appetite.

Greenwich Hospital's risk management is a dynamic process which seeks to incorporate good practice. It is managed through the regular review of internal developments and external factors including political, economic, demographic, technological and legal developments that influence the organisation's exposure to risks and opportunities.

Principal risks and their management

Risks are divided into high level strategic risks, requiring Advisory Board or Finance Committee attention, and operational risks. Operational risks which escalate are raised to a strategic level.

Each risk has a designated owner and specific actions are planned to mitigate the risk. This information is collated in a risk register which is reviewed regularly.

During 2025, Greenwich Hospital reviewed its focus on risks and made changes to reflect the balance of its group activity. The following table shows the highest-level risks identified in the strategic risk register, as presented to the Audit Committee in November 2025.

Risk	Management
Uncertainty over Greenwich Hospital future status; impact of change to new status	Work continues with the Ministry of Defence to seek to secure legislative reform of Greenwich Hospital. Greenwich Hospital engages regularly with key stakeholders, including the Secretary of State for Defence, the Ministry of Defence and the Navy Board.
Treatment of assets and liabilities that may prove to be barriers to legislative reform, including heritage assets and buildings	Advice from experts in the required fields to determine appropriate treatment of assets and liabilities. Regular engagement with Ministry of Defence and other stakeholders.
Insufficient investment return and liquidity to deliver on charitable objects both now and in the future	Development of property and investment strategies to enhance return and secure funding for charitable need both now and in the future. Continued scrutiny by the Finance Committee.
Loss of key staff, experienced and knowledgeable of the GH legislative position	Regular engagement with the Greenwich Hospital team, including team meetings, and one-to-one meetings. Opportunities for training and development and opportunities to visit and learn about charitable activities.

GREENWICH HOSPITAL

Data protection and management

Greenwich Hospital is committed to protecting the rights and freedoms of data subjects, and to safe and secure processing of personal data, in accordance with the data protection legislation applicable in England and Wales (currently the General Data Protection Regulation (EU 2016/679) (GDPR) and Data Protection Act 2018).

Greenwich Hospital, as data controller, is registered with the Information Commissioner's Office. The Director also ensures that appropriate data protection arrangements are in place with any of Greenwich Hospital's agents, contractors, managers and professional advisers. Until 28 November 2025, the Director also ensured that appropriate data protection arrangements were in place at the Royal Hospital School. The Royal Hospital School is also registered as a data controller at the Information Commissioner's Office. During 2024-25, two incidents were reported that resulted in the unauthorised disclosure of protected personal data.

Review of effectiveness of internal controls

As Accounting Officer, I have responsibility for maintaining a robust and appropriate system of internal controls. The Advisory Board and its subcommittees offer advice on implementing and reviewing controls and they highlight any matters of concern. Regular senior leadership team meetings review ongoing activities and issues. Greenwich Hospital employs third party internal auditors to review systems and controls.

Greenwich Hospital's systems of internal control are designed to manage risk; they do not eliminate all risk and therefore only provide a reasonable and not absolute assurance of effectiveness. The key processes for risk management were in place throughout the year.

As Accounting Officer, I can give a reasonable assurance on the effectiveness and current quality of internal control at Greenwich Hospital.

Deirdre Mills
Director of Greenwich Hospital

8 June 2026

STATEMENT OF SECRETARY OF STATE FOR DEFENCE'S AND DIRECTOR'S RESPONSIBILITIES

The Director of Greenwich Hospital is its Accounting Officer and is responsible to the Secretary of State for Defence in his capacity as a representative of the Crown, acting in execution of the Greenwich Hospital Acts 1865 to 1996, for:

- The proper and effective management of Greenwich Hospital and the achievement of its charitable objectives; and
- The regularity and propriety of Greenwich Hospital's administration and expenditure in accordance with the objects of the Royal Charter and the provisions of the relevant Acts of Parliament.

Greenwich Hospital employees adhere to the Seven Principles of Public Life as established by the Committee on Standards in Public Life ("The Nolan Committee") in 1995 (Cm 2850, 11 May 1995). These standards are selflessness, integrity, objectivity, accountability, openness, honesty and leadership.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

In so far as I am aware there is no relevant audit information of which Greenwich Hospital's auditors are unaware. I have taken all steps that I ought to have taken to make myself aware of any relevant audit information and to establish that the auditors are aware of that information.

Deirdre Mills
Director of Greenwich Hospital

8 June 2026

THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE HOUSES OF PARLIAMENT

Opinion on financial statements

I certify that I have audited the financial statements of Greenwich Hospital and its Group for the year ended 31 August 2025 under the Greenwich Hospital Act 1865.

The financial statements comprise Greenwich Hospital and its Group's:

- The Consolidated and Charity Balance Sheet as at 31 August 2025;
- Consolidated and Charity Statement of Financial Activities and Consolidated and Charity Statement of Cash Flows for the year then ended; and
- the related notes including the significant accounting policies.

The financial reporting framework that has been applied in the preparation of the Group financial statements is applicable law and United Kingdom accounting standards including Financial Reporting Standards (FRS) 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In my opinion, the financial statements:

- give a true and fair view of the state of Greenwich Hospital and its Group's affairs as at 31 August 2025 and its net income for the year then ended;
- have been properly prepared in accordance with the Greenwich Hospital Act 1865 and Secretary of State directions issued thereunder.

Opinion on regularity

In my opinion, in all material respects, the income and expenditure recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs (UK)), applicable law and Practice Note 10 *Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom (2024)*. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of my certificate.

Those standards require me and my staff to comply with the Financial Reporting Council's *Revised Ethical Standard 2024*. I am independent of Greenwich Hospital and its Group in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that Greenwich Hospital and its Group's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on Greenwich Hospital and its Group'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.

My responsibilities and the responsibilities of the Director with respect to going concern are described in the relevant sections of this certificate.

The going concern basis of accounting for Greenwich Hospital and its Group' is adopted in consideration of the requirements set out in HM Treasury's Government Financial Reporting Manual, which requires entities to adopt the going concern basis of accounting in the preparation of the financial statements where it is anticipated that the services which they provide will continue into the future.

Other information

The other information comprises information included in the Objectives and activities, Achievements and performance, Financial review, Future plans, and Structure, governance and management sections of the Annual Report, but does not include the financial statements and my auditor's certificate. The Director is responsible for the other information.

My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my certificate, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

In my opinion, based on the work undertaken in the course of the audit:

- The information given in the Objectives and activities, Achievements and performance, Financial Review, Future Plans, and Structure, governance and management sections of the Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the applicable legal requirements.

Matters on which I report by exception

In the light of the knowledge and understanding of Greenwich Hospital and its Group and its environment obtained in the course of the audit, I have not identified material misstatements in the information given in the Objectives and activities, Achievements and performance, Financial Review, Future Plans, and Structure, governance and management sections.

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept by Greenwich Hospital and its Group or returns adequate for my audit have not been received from branches not visited by my staff; or
- I have not received all of the information and explanations I require for my audit; or
- the financial statements are not in agreement with the accounting records and returns; or
- the Structure, governance and management section does not reflect compliance with HM Treasury's guidance.

Responsibilities of the Director for the financial statements

As explained more fully in the Statement of Secretary of State for Defence's and Director's Responsibilities, the Director is responsible for:

- maintaining proper accounting records;
- providing the C&AG with access to all information of which management is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
- providing the C&AG with additional information and explanations needed for his audit;
- providing the C&AG with unrestricted access to persons within Greenwich Hospital and its Group from whom the auditor determines it necessary to obtain audit evidence;
- ensuring such internal controls are in place as deemed necessary to enable the preparation of financial statements to be free from material misstatement, whether due to fraud or error;
- preparing financial statements, which give a true and fair view, in accordance with the applicable financial reporting framework;
- assessing Greenwich Hospital and its Group'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 Director intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit and express an opinion on the financial statements in accordance with the Greenwich Hospital Act 1865.

My 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 a certificate that includes my 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.

Extent to which the audit was considered capable of detecting non-compliance with laws and regulations including fraud

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

Identifying and assessing potential risks related to non-compliance with laws and regulations, including fraud

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud I:

- considered the nature of the sector, control environment and operational performance including the design of Greenwich Hospital and its Group's accounting policies, key performance indicators.
- inquired of management, Greenwich Hospital's internal audit team and those charged with governance, including obtaining and reviewing supporting documentation relating to Greenwich Hospital and its Group's policies and procedures on:
 - identifying, evaluating and complying with laws and regulations;

- detecting and responding to the risks of fraud; and
- the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including Greenwich Hospital and its Group's controls relating to Greenwich Hospital and its Group's compliance with the Greenwich Hospital Act 1895, the Defence (transfer of Function Act) 1964, and Managing Public Money;
- inquired of management, Greenwich Hospital and its Group's head of internal audit and those charged with governance whether:
 - they were aware of any instances of non-compliance with laws and regulations;
 - they had knowledge of any actual, suspected, or alleged fraud;
- discussed with the engagement team, including significant component audit teams and the relevant external specialists, including property valuation and pensions specialists, regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, I considered the opportunities and incentives that may exist within Greenwich Hospital and its Group for fraud and identified the greatest potential for fraud in the following areas: revenue recognition, posting of unusual journals, complex transactions, and bias in management estimates. In common with all audits under ISAs (UK), I am required to perform specific procedures to respond to the risk of management override of controls.

I obtained an understanding of Greenwich Hospital and its Group's framework of authority and other legal and regulatory frameworks in which Greenwich Hospital and its Group operates. I focused on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of Greenwich Hospital and its Group. The key laws and regulations I considered in this context included the Greenwich Hospital Act 1865, Armed Forces Act 1976, The Charities Act 2011, Managing Public Money, employment law, pensions legislation, and tax Legislation.

Audit response to identified risk

To respond to the identified risks resulting from the above procedures:

- I reviewed the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements;
- I enquired of management, the Audit Committee concerning actual and potential litigation and claims;
- I reviewed minutes of meetings of those charged with governance and the Board and internal audit reports;
- I addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements on estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business; and
- in addressing the risk of revenue recognition due to fraud, I assessed the recognition of income in line with the accounting framework.

I communicated relevant identified laws and regulations and potential risks of fraud to all engagement team members including auditor's experts and significant component audit teams and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of my 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 my certificate.

Other auditor's responsibilities

I am required to obtain sufficient appropriate audit evidence to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

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

Report

I have no observations to make on these financial statements.

Gareth Davies
Comptroller and Auditor General

10 June 2026

National Audit Office
157-197 Buckingham Palace Road
Victoria
London
SW1W 9SP

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2025

	Note	Unrestricted funds £m	Restricted funds £m	Total 2024-25 £m	Total 2023-24 £m
Income from:					
Charitable activities					
Royal Hospital School	3	15.7	0.5	16.2	17.4
Sheltered housing		0.8	-	0.8	0.7
Royal Hospital School Charitable Trust	4	-	0.2	0.2	0.3
		<u>16.5</u>	<u>0.7</u>	<u>17.2</u>	<u>18.4</u>
Investments					
Property investments		11.0	-	11.0	10.4
Direct financial investments	6a	0.1	-	0.1	0.7
Indirect financial investments	6b	4.8	-	4.8	4.7
		<u>15.9</u>	<u>-</u>	<u>15.9</u>	<u>15.8</u>
Other trading activities					
RHSEL lettings income	4	-	-	-	0.4
Other					
Miscellaneous income		0.5	-	0.5	0.4
		<u>0.5</u>	<u>-</u>	<u>0.5</u>	<u>0.4</u>
Total income		<u>32.9</u>	<u>0.7</u>	<u>33.6</u>	<u>35.0</u>
Expenditure on:					
Charitable activities					
Royal Hospital School	3	29.0	0.5	29.5	20.7
Sheltered housing		1.3	-	1.3	1.0
Royal Hospital School Charitable Trust	4	-	-	-	-
Grants, annuities and donations payable	7a	7.0	-	7.0	6.1
		<u>37.3</u>	<u>0.5</u>	<u>37.8</u>	<u>27.8</u>
Raising funds	7b	6.3	-	6.3	7.4
		<u>6.3</u>	<u>-</u>	<u>6.3</u>	<u>7.4</u>
Total expenditure		<u>43.6</u>	<u>0.5</u>	<u>44.1</u>	<u>35.2</u>
Net loss before gains/(losses) on investments		(10.7)	0.2	(10.5)	(0.2)
Gains/(losses) on investments					
Gains on sale of investment properties		0.1	-	0.1	0.7
Gain on revaluation of investment properties	14	2.1	-	2.1	5.1
(Losses)/ gains on revaluation of direct financial investments	15a	-	-	-	5.3
Gain on sale of indirect financial investments	15b	0.5	-	0.5	-
Gain on revaluation of indirect financial investments	15b	8.8	-	8.8	12.2
		<u>0.8</u>	<u>0.2</u>	<u>1.0</u>	<u>23.1</u>
Other recognised gains/(losses)					
Actuarial gain on pension scheme	10	1.9	-	1.9	0.3
Loss on revaluation of charitable properties	11	(0.2)	-	(0.2)	-
		<u>1.7</u>	<u>-</u>	<u>1.7</u>	<u>0.3</u>
Net movement in funds		2.5	0.2	2.7	23.4
Reconciliation of funds					
Balance brought forward	22	450.5	1.4	451.9	428.5
Balance carried forward		<u>453.0</u>	<u>1.6</u>	<u>454.6</u>	<u>451.9</u>

All activities are classed as continuing and all recognised gains and losses have been included in the accounts.

The notes on pages 33 to 61 form part of these accounts.

CHARITY STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2025

	Note	Unrestricted funds £m	Restricted funds £m	Total 2024-25 £m	Total 2023-24 £m
Income from:					
Charitable activities					
Royal Hospital School	3	15.7	0.5	16.2	17.5
Sheltered housing		0.8	-	0.8	0.7
		<u>16.5</u>	<u>0.5</u>	<u>17.0</u>	<u>18.2</u>
Investments					
Property investments		11.0	-	11.0	10.4
Direct financial investments	6a	0.1	-	0.1	0.7
Indirect financial investments	6b	4.8	-	4.8	4.7
		<u>15.9</u>	<u>-</u>	<u>15.9</u>	<u>15.8</u>
Other trading activities					
Gift Aid from trading subsidiary, RHSEL	4	-	-	-	0.1
Other					
Miscellaneous income		0.5	-	0.5	0.4
Total income		<u>32.9</u>	<u>0.5</u>	<u>33.4</u>	<u>34.5</u>
Expenditure on:					
Charitable Activities					
Royal Hospital School	3	29.0	0.5	29.5	20.4
Sheltered housing		1.3	-	1.3	1.0
Grants, annuities and donations payable	7a	7.0	-	7.0	6.1
		<u>37.3</u>	<u>0.5</u>	<u>37.8</u>	<u>27.5</u>
Raising funds	7b	6.3	-	6.3	7.4
Total expenditure		<u>43.6</u>	<u>0.5</u>	<u>44.1</u>	<u>34.9</u>
Net loss before gains/(losses) on investments		(10.7)	-	(10.7)	(0.4)
Gains/(losses) on investments					
Gains on sale of investment properties		0.1	-	0.1	0.7
(Loss)/ gain on revaluation of investment properties	14	(2.0)	-	(2.0)	5.1
Gain on revaluation of direct financial investments	15a	-	-	-	5.3
Gain on sale of indirect financial investments	15b	0.5	-	0.5	-
Gain on revaluation of indirect financial investments	15b	8.8	-	8.8	12.2
Net (loss)/ income		<u>(3.3)</u>	<u>-</u>	<u>(3.3)</u>	<u>22.9</u>
Other recognised (losses)/gains					
Actuarial gain on pension scheme	10	1.9	-	1.9	0.3
Loss on revaluation of charitable properties	11	(0.2)	-	(0.2)	-
		<u>1.7</u>	<u>-</u>	<u>1.7</u>	<u>0.3</u>
Net movement in funds		(1.6)	-	(1.6)	23.2
Reconciliation of funds					
Balance brought forward	22	440.2	0.3	440.5	417.3
Balance carried forward		<u>438.6</u>	<u>0.3</u>	<u>438.9</u>	<u>440.5</u>

All activities are classed as continuing and all recognised gains and losses have been included in the accounts.

The notes on pages 33 to 61 form part of these accounts.

CONSOLIDATED AND CHARITY BALANCE SHEET

AS AT 31 AUGUST 2025

	Note	Group 2025 £m	Group 2024 £m	Charity 2025 £m	Charity 2024 £m
Fixed assets					
Charitable property	11	26.8	32.8	26.8	32.8
Heritage assets	12	2.3	2.3	2.3	2.3
Other tangible assets	13	0.5	1.9	0.5	1.9
		29.6	37.0	29.6	37.0
Investment property	14	202.0	201.0	187.1	190.3
Direct financial investments	15a	-	81.4	-	81.4
Indirect financial investments	15b	226.2	135.0	225.6	134.4
		428.2	417.4	412.7	406.1
Total fixed assets		457.8	454.4	442.3	443.1
Current assets					
Debtors: amounts falling due within one year	16	7.0	5.6	7.3	5.9
Stock		0.1	0.1	0.1	0.1
Cash at bank and in hand	17	20.4	26.2	19.9	25.8
		27.5	31.9	27.3	31.8
Current liabilities (amounts falling due within one year)	18	(12.5)	(14.0)	(12.5)	(14.0)
Net current assets		15.0	17.9	14.8	17.8
Liabilities (amounts falling due after more than one year)	18	(0.1)	(0.2)	(0.1)	(0.2)
Net assets excluding pension liability		472.7	472.1	457.0	460.7
Pension liability	10	(18.1)	(20.2)	(18.1)	(20.2)
Net assets including pension liability		454.6	451.9	438.9	440.5
Funds					
Unrestricted funds	22	453.0	450.5	438.6	440.2
Restricted funds	22	1.6	1.4	0.3	0.3
		454.6	451.9	438.9	440.5

The notes on pages 33 to 61 form part of these accounts.

The financial statements were approved by the Finance Committee on 26 February 2026 and signed on its behalf by:

Deirdre Mills
Director of Greenwich Hospital

8 June 2026

CONSOLIDATED AND CHARITY CASH FLOW FOR THE YEAR ENDED 31 AUGUST 2025

		Group	Group	Charity	Charity
	Note	2024-25	2023-24	2024-25	2023-24
		£m	£m	£m	£m
Net cash (used in)/provided by operating activities					
Net cash (used)/provided by operating activities		(7.4)	6.9	(7.6)	6.6
Cash flows from investing activities					
Bank interest receipts		0.8	0.4	0.8	0.4
Money Market Fund dividends		2.6	-	2.6	-
Payments to acquire or improve charitable property	11	(2.3)	(0.4)	(2.3)	(0.4)
Payments to acquire other tangible fixed assets	13	(0.5)	(0.6)	(0.5)	(0.6)
Receipts from disposal of direct financial investment	15a	81.5	-	81.5	-
Payments to acquire Money Market Funds	15b	(81.5)	-	(81.5)	-
Net payments to acquire or improve investment property	14	(0.5)	(1.7)	(0.4)	(1.4)
Receipts from sale of investment property and other capital receipts	14	1.6	2.3	1.6	2.3
Receipts from sale of investments	15b	-	-	-	-
Payments to acquire investments	15b	-	(0.2)	-	(0.2)
Net cash flow provided by/(used in) investing activities		1.7	(0.2)	1.8	0.1
Cash flows from financing activities					
Repayment of finance lease payments		(0.1)	(0.1)	(0.1)	(0.1)
Net cash flow used in financing activities		(0.1)	(0.1)	(0.1)	(0.1)
Change in cash or cash equivalents in the year					
Cash and cash equivalents at the beginning of the year	17	(5.8)	6.6	(5.9)	6.6
Cash and cash equivalents at the end of the year	17	26.2	19.6	25.8	19.2
		20.4	26.2	19.9	25.8

Reconciliation of net income/(expenditure) to net cash flow from operating activities

		Group	Group	Charity	Charity
	Note	2024-25	2023-24	2024-25	2023-24
		£m	£m	£m	£m
Net income/ (loss) for the year (as per the Statement of Financial Activities)					
Interest on pension liability	10	1.0	23.1	(3.3)	22.9
Movement on pension liability during the year	10	1.0	1.0	1.0	1.0
Depreciation	11,13	(1.2)	(1.3)	(1.2)	(1.3)
Impairment	11,13	0.1	1.7	0.1	1.7
Money Market Fund dividends		10.0	-	10.0	-
Net interest and other financing costs		(3.0)	-	(3.0)	-
Gain on sale of investment property		(0.8)	-	(0.8)	-
Direct financial investments distribution	15a	(0.1)	(0.7)	(0.1)	(0.7)
Gain on sale of indirect financial investments	15b	(0.1)	-	(0.1)	-
Restricted funds movement		-	(0.1)	-	(0.1)
Loss/ (gain) on revaluation of investment properties	14	(2.1)	(5.1)	2.0	(5.1)
Gain on revaluation of direct financial investments	15a	-	(5.3)	-	(5.3)
Gain on revaluation of indirect financial investments	15b	(8.8)	(12.2)	(8.8)	(12.2)
(Increase)/decrease in debtors	16	(1.4)	3.6	(1.4)	3.6
(Decrease)/ increase in creditors	18	(1.5)	2.2	(1.5)	2.1
Net cash flow from operating activities		(7.4)	6.9	(7.6)	6.6

The notes on pages 33 to 61 form part of these accounts.

1 Accounting policies

a) Basis of accounting

Greenwich Hospital is a unique Crown body. Much of the activity of Greenwich Hospital is charitable and consequently the organisation is considered a public benefit entity.

The Annual Accounts are prepared by Greenwich Hospital as required by legislation (Greenwich Hospital Act 1865 (s.47), as amended by the Greenwich Hospital Act 1885 (s.4)) and the Secretary of State directions thereunder and are audited by the National Audit Office.

The accounts have been prepared under the historical cost convention as modified below. Greenwich Hospital's accounts have been prepared to comply with the underlying principles of 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 (Charities SORP). and with the Charities Act 2011.

The group financial statements consolidate the financial statements of Greenwich Hospital, Royal Hospital School Enterprises Limited, Royal Hospital School Charitable Trust and Travers Foundation and are drawn up to 31 August each year.

The group and charity financial statements are presented in pounds sterling and all values are rounded to the nearest £0.1 million, except where indicated otherwise.

b) Basis of consolidation

Consolidated financial statements have been prepared in respect of Greenwich Hospital, its wholly owned subsidiary Royal Hospital School Enterprises Limited and Greenwich Hospital's related organisations Travers Foundation and Royal Hospital School Charitable Trust. A separate Statement of Financial Activities for the charity itself is included.

c) Going concern

The Director has a reasonable expectation that Greenwich Hospital has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about Greenwich Hospital's ability to continue. Greenwich Hospital therefore continues to adopt the going concern basis in preparing its consolidated financial statements.

In reaching this conclusion, the Director has considered the impact of reductions in Greenwich Hospital's income and in the value of its assets on its ability to cover its charitable and other expenditure over the 12 months from the date of signing. Detailed cash flow projections have been prepared incorporating the impact of various scenarios brought about by a significant worsening of the economic environment resulting from an event of the scale of the coronavirus pandemic.

The cash flow projections and forecasts which arise from the various scenarios indicate that Greenwich Hospital has sufficient cash and liquid investments to meet its commitments.

d) Tangible fixed assets

Assets over £1,000 are capitalised. Greenwich Hospital recognises seven classes of tangible fixed assets:

- Investment property
- Charitable land
- Charitable sheltered housing
- Charitable supported housing
- Other charitable property
- Other tangible assets
- Heritage assets

Investment properties are held either to earn rental income or for capital appreciation or both. They comprise the Greenwich Estate, the Northern Estates and the Holbrook Estate.

Investment properties and those in the course of construction are held at fair value. They are valued based on open market value. When Greenwich Hospital begins to redevelop an existing investment property for continued future use as an investment property, the property remains an investment property and is accounted for as such.

Investment properties are measured initially at cost, including related transaction costs. Additions to investment properties consist of costs of a capital nature. At the balance sheet date, investment properties are revalued to fair value. Any surplus or deficit arising on revaluing investment properties is recognised in the Statement of Financial Activities.

The valuations are carried out by independent valuers: BNP Paribas for the Greenwich Estate, Savills for the Northern Estates and for Holbrook and Travers. The valuations are carried out in accordance with the Royal Institute of Chartered Surveyors Global Standards in force at the time the valuation was instructed. This defines fair value as the estimated amount for which an asset or liability should exchange between a willing buyer and a willing seller in an arm's length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.

Charitable land is not depreciated. It is assumed that where market values are obtained the land is a third of the value of the whole site.

Sheltered housing is held at market value. Greenwich Hospital's expenditure on sheltered housing is capitalised at historic cost on acquisition and revalued every three years using an independent valuer. The valuations are carried out in accordance with the Royal Institute of Chartered Surveyors Global Standards in force at the time the valuation was instructed. In the intervening years, the United Kingdom Housing Price Index (UKHPI) will be used to calculate the change in value. The last full valuation was at 31 August 2024 and the next full valuation will be at 31 August 2027. Unrealised gains or losses on revaluation are recognised in the Statement of Financial Activities.

Supported housing is held at historic cost less depreciation.

Other charitable property is the School which is held at historic cost less depreciation.

Other tangible assets are held at cost of acquisition less depreciation.

Heritage property assets at the Greenwich Estate include The Royal Naval College, Dreadnought Seamen's Hospital, Devonport Nurses' Home, the Bellot Memorial and Greenwich Pier. These buildings are of historical importance and there are restrictions on their use. Their market value in existing use is included under the Greenwich Estate on Greenwich Hospital's balance sheet. This value is low because of the regulations and restrictions applicable to them and the significant maintenance costs.

Heritage assets excluding property comprise a collection of art, furniture, silver plates, clocks and historical artefacts. The majority of these are at the National Maritime Museum in Greenwich. Heritage assets are initially recognised at cost, or valuation if donated and a reliable valuation is available. This is then assumed to be their deemed cost going forward.

An overview of the collection is given in Note 12.

e) Financial investments

Financial investments are initially recognised and subsequently measured at fair value in the accounts.

(i) Direct financial investments

Greenwich Hospital had a direct financial investment in the Pollen Estate, which was disposed in October 2024. The consideration was based on Greenwich Hospital's share, which was 10.253% of the balance sheet value as at 30 September 2024, the latest valuation prior to the sale.

(ii) Indirect financial investments

Pooled funds are shown at market value. Unrealised gains and losses on the valuation of investments are recognised in the Statement of Financial Activities. Cash deposits held with investment managers are presented in the balance sheet as current assets. All other financial assets are presented as fixed assets.

The fair values of pooled funds are based on externally reported bid prices at the balance sheet date. Transaction costs or management support costs are not included in valuations. They are charged to expenditure in the year in which they are incurred.

Money market fund is a type of investment fund that invests in various types of money-market instruments, including bank deposits, certificates of deposit and commercial paper. The fund objective is to provide investors with stability of capital and of net asset value per share. Dividends is declared out of the profits of the Sterling Fund on a daily basis and payable monthly. Greenwich Hospital has opted for dividends to be paid by electronic transfer on a monthly basis as opposed to being re-invested each month by subscription for additional shares of the same class in the Sterling fund. Whilst preservation of capital is a major component of the fund's objective, it is not guaranteed.

f) Recognition of incoming and outgoing resources

Income is recognised in the period in which it is receivable. Income is recognised if it is deemed probable that it will be received, the Charity is entitled to the income, and it can be reliably measured. Rental increases arising because of rent reviews and lease negotiations are not recognised until negotiations are completed.

Resources expended are included in the statement of financial activities on an accruals basis, inclusive of any irrecoverable VAT. Expenditure is recognised where an obligation exists for the Charity to pay, it is deemed probable, and it can be reliably measured.

Income and expenditure is recognised on the Statement of Financial Activities on an activity basis:

(i) Donations and legacies

Donated assets are recognised at their value on acquisition. Grants receivable are recognised when the conditions for entitlement have been met.

(ii) Charitable activities

Income and expenditure relating to charitable activities include the operations of the Royal Hospital School and the associated charitable trust, sheltered housing provision, and grants payable.

Income associated with the Royal Hospital School and charitable trust includes school fees (recognised over the teaching period), and other ancillary income. Income associated with the sheltered housing provision includes rents (recognised over the rental period) and other ancillary income. Expenditure related to the Royal Hospital School, charitable trust, and sheltered housing provision is recognised on an accruals basis.

Grants payable are recognised when the conditions for disbursement have been met.

(iii) Investment income, other trading activities, and costs of raising funds

Investment income includes dividends receivable, interest on bonds and cash balances, and rental income on investment properties. Income on dividends, bonds and cash balances is recognised when receivable. Rental income is recognised over the rental period.

Other trading income includes lettings fees (recognised over the lettings period) related to the Royal Hospital School commercial activities.

Costs of raising funds includes investment management fees, investment property costs, finance costs, and costs associated with commercial lettings. These are all recognised on an accruals basis.

(iv) Other costs, gains and losses, and support costs

Other costs include exceptional expenditure, usually recognised on an accruals basis.

Gains and losses are shown by asset or liability class.

Support costs are apportioned by activity type, and primarily on a staff time basis.

Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources.

g) Leases

Premiums paid to acquire an interest in property, including lease surrenders, are recorded as capital expenditure on completion. Premiums received upon the granting of a lease or variation of lease terms in favour of a tenant are recorded as capital receipts.

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future years. The finance element of the rental payment is charged to the profit and loss account to produce a constant periodic rate of charge on the net obligation outstanding in each year.

The benefit of rent free periods and reduced premiums which we receive as property lessees is recognised as reduced rental expense over the year from the lease start date to the end of the lease term. The benefit is allocated on a straight-line basis.

h) Gains and losses

In compliance with the Charities SORP, surpluses and deficits on realisation of pooled funds are calculated as the difference between the sale price and the latest market valuation at the end of each quarter or cost if purchased during the last month of the financial year.

i) Cash and bank

Greenwich Hospital maintains a bank account with the Government Banking Service and maintains several current and deposit accounts with Barclays Bank. Within cash Greenwich Hospital includes cash equivalents defined as highly liquid investments having a maturity of three months or less which are at minimal risk of a change in value.

j) Depreciation

Depreciation is provided on tangible fixed assets as detailed in note 1(d). Depreciation is calculated on the straight-line basis to write off the value of each asset over its expected useful life or lease term, as follows:

- Buildings – fifteen to fifty years
- Leasehold improvements – over the life of the lease remaining
- Motor vehicles – five to ten years
- Plant and machinery – five to twenty years
- Sailing vessels – five to twenty years
- Educational equipment – five to ten years
- Computers – five to ten years.

The useful economic lives of fixed assets are reassessed each year and the associated depreciation rates amended as necessary. No depreciation is provided on freehold land and buildings which are held as investment assets. Assets under construction are shown based on costs accrued to date. Depreciation is not charged until the asset is in use. Where an asset is recognised to be impaired, its carrying value is reduced to reflect its impaired value. If it remains in use, it will then be depreciated on a revised basis.

k) Pension schemes

Greenwich Hospital operates an unfunded, defined benefit, contracted out pension scheme to provide retirement and related benefits to all eligible employees who joined Greenwich Hospital up to June 2011. The scheme is broadly analogous to, although not part of, the Principal Civil Service Pension Scheme and Greenwich Hospital is responsible for paying pensions to retired employees other than Royal Hospital School teachers. The scheme closed to further accrual for most members in June 2015. Those who were within nine years of normal retirement date in June 2015 were given enhanced protection on closure and could be active members of the scheme for up to 4.5 more years. A full actuarial valuation of the liability is carried out every three years with the results updated in the intervening years.

The most recent full valuation was as at 31 August 2025 undertaken by Isio Group Limited and a provision is included in the balance sheet

As from July 2011, Greenwich Hospital has offered a defined contribution scheme to all new non-teaching staff and those who ceased to be members of the defined benefit scheme. This is a money-purchase scheme and all deductions paid to the scheme provider are non-refundable.

Teaching staff at the Royal Hospital School are members of the Teachers' Pension Scheme. (and since September 2022, they have been able to join a defined contribution scheme as an alternative option). The nature of this scheme is set out in note 10.

l) Provisions

Provisions for liabilities and charges have been established under the criteria of FRS 102 and are based on realistic and prudent estimates of the expenditure required to settle future legal or constructive obligations that exist at the balance sheet date. Provisions are charged to the Statement of Financial Activities.

m) Volunteers and related parties

Members of the Advisory Board and Finance Committee, Governors of the Royal Hospital School and Directors of the Royal Hospital School Enterprises Limited, where not ex officio, all gave their services voluntarily and received no remuneration for their activities with Greenwich Hospital.

n) Restricted, designated and unrestricted funds

Restricted funds are to be used for specified purposes as laid down by the donor. Expenditure which meets these criteria is identified to the fund, together with a fair allocation of overhead costs. Unrestricted funds are donations or other incoming resources received or generated for the charity's general purposes. Where management assesses a specific operational need for a significant project or undertaking, it may designate a portion of the unrestricted funds. Unused designated funds are reviewed annually to see whether they should be released.

o) Financial instruments

Greenwich Hospital's financial assets and liabilities consist of cash and cash equivalents, short term investments, trade debtors, trade creditors and accrued expenses. The fair value of these items approximates their carrying value due to their short-term nature. Unless otherwise noted, Greenwich Hospital is not exposed to significant interest, foreign exchange or credit risks arising from these instruments.

p) Taxation

Greenwich Hospital is exempt from corporation tax under the principle of Crown exemption.

q) Accounting estimates, judgements and assumptions

In preparing these accounts, management relies on various estimates, judgements and assumptions derived by the accounting team and experts consulted to provide suitable evidentiary statements. Significant items in this regard include the property valuations underlying the investment property assets, future cash flows related to the defined benefit pension scheme liability, and provisioning regards recoverability of debts receivable. In reaching these assumptions, management and its consultants rely on historic trends and market sector evidence.

Property market valuations have generally been made on the basis of existing tenancies with the addition of hope value where it is considered that land may be designated for mixed use development. All the individuals who undertook valuations have the relevant knowledge, skills, qualifications and understanding to competently value the estates and did so on a professional basis.

The valuation of the defined benefit pension liability has been performed by Isio Group Limited, an independent actuary and the assumptions used are considered reasonable.

Provisions regarding the recoverability of debts receivable are made on a prudent basis taking into account the advice of professional estate managers and, where necessary, the advice of lawyers.

2 Comparative Statements of Financial Activities for 2023-24

Group	Note	Unrestricted funds £m	Restricted funds £m	Total 2023-24 £m
Income from:				
Charitable activities				
Royal Hospital School	3	17.4	-	17.4
Sheltered housing		0.7	-	0.7
Royal Hospital School Charitable Trust	4	-	0.3	0.3
		<u>18.1</u>	<u>0.3</u>	<u>18.4</u>
Investments				
Property investments		10.4	-	10.4
Direct financial investments	6a	0.7	-	0.7
Indirect financial investments	6b	4.7	-	4.7
		<u>15.8</u>	<u>-</u>	<u>15.8</u>
Other trading activities				
RHSEL lettings income	4	0.4	-	0.4
Other				
Miscellaneous income		0.4	-	0.4
Total income		<u>34.7</u>	<u>0.3</u>	<u>35.0</u>
Expenditure on:				
Charitable activities				
Royal Hospital School	3	20.7	-	20.7
Sheltered housing		1.0	-	1.0
Royal Hospital School Charitable Trust	4	-	-	-
Grants, annuities and donations payable	7a	6.1	-	6.1
		<u>27.8</u>	<u>-</u>	<u>27.8</u>
Raising funds	7b	7.4	-	7.4
Total expenditure		<u>35.2</u>	<u>-</u>	<u>35.2</u>
Net (loss)/income before gains/(losses) on investment		(0.5)	0.3	(0.2)
Gains/ (losses) on investments				
(Losses)/ gains on sale of investment properties		0.7	-	0.7
Gain on revaluation of investment properties		5.1	-	5.1
(Losses)/ gains on revaluation of direct financial investments	15a	5.3	-	5.3
Gain on sale of indirect financial investments	15b	-	-	-
Gain on revaluation of indirect financial investments	15b	12.2	-	12.2
Net income		<u>22.8</u>	<u>0.3</u>	<u>23.1</u>
Other recognised gains/(losses)				
Actuarial gain on pension scheme	10	0.3	-	0.3
Losses on disposal of Heritage Assets	12	-	-	-
Loss on revaluation of charitable properties		-	-	-
		<u>0.3</u>	<u>-</u>	<u>0.3</u>
Net movement in funds		23.1	0.3	23.4
Reconciliation of funds				
Balance brought forward		427.4	1.1	428.5
Balance carried forward	22	<u>450.5</u>	<u>1.4</u>	<u>451.9</u>

Charity	Note	Unrestricted Funds £m	Restricted funds £m	Total 2023-24 £m
Income from				
Charitable activities				
Royal Hospital School	3	17.5	-	17.5
Sheltered housing		0.7	-	0.7
		<u>18.2</u>	<u>-</u>	<u>18.2</u>
Investments				
Property investments		10.4	-	10.4
Direct financial investments	6a	0.7	-	0.7
Indirect financial investments	6b	4.7	-	4.7
		<u>15.8</u>	<u>-</u>	<u>15.8</u>
Other trading activities				
Gift aid from trading subsidiary, RHSEL	4	0.1	-	0.1
Other				
Miscellaneous income		0.4	-	0.4
		<u>34.5</u>	<u>-</u>	<u>34.5</u>
Total income				
Expenditure on:				
Charitable activities				
Royal Hospital School	3	20.4	-	20.4
Sheltered housing		1.0	-	1.0
Grants, annuities and donations payable	7a	6.1	-	6.1
		<u>27.5</u>	<u>-</u>	<u>27.5</u>
		<u>7.4</u>	<u>-</u>	<u>7.4</u>
Raising funds	7b			
		<u>34.9</u>	<u>-</u>	<u>34.9</u>
Total expenditure				
Net loss before gains/(losses) on investments		(0.4)	-	(0.4)
Gains/(losses) on investments				
Gains on sale of investment properties		0.7	-	0.7
Gain on revaluation of investment properties		5.1	-	5.1
Gain on revaluation of direct financial investments	15a	5.3	-	5.3
Gain on sale of indirect financial investments	15b	-	-	-
Gain on revaluation of indirect financial investments	15b	12.2	-	12.2
		<u>22.9</u>	<u>-</u>	<u>22.9</u>
Net income				
Other recognised (losses)/gains				
Actuarial gain on pension scheme	10	0.3	-	0.3
Losses on disposal of Heritage Assets	12	-	-	-
Loss on revaluation of charitable properties		-	-	-
		<u>0.3</u>	<u>-</u>	<u>0.3</u>
Net movement in funds				
		23.2	-	23.2
Reconciliation of funds				
Balance brought forward		417.0	0.3	417.3
Balance carried forward	22	<u>440.2</u>	<u>0.3</u>	<u>440.5</u>

3 Royal Hospital School

An analysis of the income and expenditure associated with the School is shown in the table below.

Charity	Total 2024-25 £m	Total 2023-24 £m
Income		
School fees	14.3	16.3
Incidental charges, hire of facilities and other income	2.0	1.9
Restricted and designated fund income	0.5	-
Bursary from Greenwich Hospital (Central costs)	(0.6)	(0.6)
	<hr/> 16.2	<hr/> 17.6
Expenditure		
Staff costs	10.5	10.4
Academic costs	3.1	2.9
Premises and facilities	1.8	1.9
Administration	1.9	2.2
Depreciation	-	0.8
Recharges to RHSEL	-	(0.3)
Impairment	10.0	-
Restricted funds - non-staff costs	0.5	-
<u>Central Costs</u>		
Allocated support costs	0.6	0.6
Other costs borne by Greenwich Hospital	0.1	-
Interest on pension liability	1.0	1.1
Depreciation	-	0.8
	<hr/> 29.5	<hr/> 20.4
Net expenditure	<hr/> (13.3)	<hr/> (2.8)

4 Subsidiary undertakings

The Group comprises the parent, Greenwich Hospital and three subsidiary undertakings as detailed below.

The Royal Hospital Charitable Trust (registration number 1157146) is a Charitable Incorporated Organisation set up in 2015-16 to benefit the pupils of the Royal Hospital School. The Director of Greenwich Hospital has the authority to change School governors and hence trustees of the Trust, who decide where funds will be allocated. It has therefore been determined that the Director is able to control the Trust and the accounts which are material have therefore been consolidated. The Trust's year end is 31 August.

GH1 (formerly Royal Hospital School Enterprises Limited) (company number 06550120) is a limited company which carries out commercial trading activities on behalf of the Royal Hospital School. Greenwich Hospital holds 100% of the share capital. The company's year-end is 31 August.

The Travers Foundation was established by the will of Samuel Travers in 1725 for the payment of pensions to retired lieutenants of the Royal Navy. The Foundation comprises property on the Bovills Estate in Essex. The assets of the Foundation were transferred to the Secretary of State for Defence (in his role as the representative of the Crown responsible for the governance of Greenwich Hospital on behalf of the Sovereign) by the Defence (Transfer of Functions) Act 1964, and by the Armed Forces Act 1976, and are treated as the property of Greenwich Hospital. The income can be applied for the general purposes of Greenwich Hospital.

S.21 (3) of the Armed Forces Act 1976 states that the accounts of the property shall be kept distinct from the general accounts of Greenwich Hospital and be shown separately in any statement rendered to Parliament under the Greenwich Hospital Acts 1865 to 1967. Separate accounts for the Travers Foundation are therefore prepared. The Foundation's year end is 31 August.

The summary results and balance sheets of the subsidiary undertakings for the year are in the next table.

	RHS Charitable Trust		RHS Enterprises Limited		Travers Foundation	
	2024-25 £m	2023-24 £m	2024-25 £m	2023-24 £m	2024-25 £m	2023-24 £m
Income	0.20	0.16	-	0.1	0.03	0.03
Expenditure	(0.05)	(0.06)	-	(0.1)	(0.02)	(0.03)
Net income/(expenditure)	0.15	0.10	-	-	0.01	-
Other (losses)/gains	-	0.07	-	-	4.09	(0.06)
Net movement in funds	0.15	0.17	-	-	4.10	(0.06)
Assets	1.19	1.04	0.01	0.1	14.91	10.74
Liabilities	-	-	(0.01)	(0.1)	(0.29)	(0.22)
Total funds	1.19	1.04	-	-	14.62	10.52

Travers Foundation assets include investment property held at a market value of £14.9m (2023-24: £10.7m) as shown in note 14.

Greenwich Hospital divested of its previously held interests in the Harkstead Road Management Company on 5 November 2024 and in Throckley North Management Company on 31 December 2024.

5 Property investment income

Property investment income comprises rental income from Greenwich Hospital's Holbrook, Northern and Greenwich estates and includes residential, commercial and agricultural lettings.

Greenwich Estate in addition has a turnover rent arrangement whereby tenants are charged additional rent based on a percentage of their turnover for the past financial period. The amount to be paid is derived from a Turnover Certificate which has to be signed by the tenant's respective auditors. Due to the delay in obtaining audited information and the contingent nature of the arrangement, turnover rent is only recognised in the books once received.

6 Financial investment income

a) Direct financial investment income

Direct financial investment income comprises income from Greenwich Hospital's holding in the Pollen Estate which holds property in east Mayfair, London.

b) Indirect financial investment income

	Charity and Group 2024-25	Charity and Group 2023-24
	£m	£m
UK equities	1.4	2.2
Global equities	0.4	2.0
Fixed interest investments	-	0.5
Real Return	0.1	-
Reade Accumulation Fund	-	-
Money Market Fund	2.9	-
	4.8	4.7

7a Grants, annuities and donations payable

All grants are accounted for as being commitments where the beneficiary has been notified of the award and Greenwich Hospital has no discretion to avoid future expenditure based on their assessment of whether the conditions have been met by the recipient.

	2024-25	2023-24
	£m	£m
Acute needs	3.5	3.2
Welfare	1.2	1.4
Education	1.6	0.9
	6.3	5.5
Allocated support and governance costs	0.7	0.6
	7.0	6.1

7b Raising funds

Group	2024-25	2023-24
	£m	£m
Property management costs	5.7	6.9
Financial investment management costs	0.6	0.5
	6.3	7.4

Charity	2024-25	2023-24
	£m	£m
Property management costs	5.7	6.9
Financial investment management costs	0.6	0.5
	6.3	7.4

8 Expenditure

2024-25		Group			Charity		
	Note	Direct costs £m	Support costs £m	Total £m	Direct costs £m	Support costs £m	Total £m
Royal Hospital School		28.9	0.6	29.5	28.9	0.6	29.5
Sheltered housing		1.2	0.1	1.3	1.2	0.1	1.3
Grants, annuities and donations payable	7	6.3	0.7	7.0	6.3	0.7	7.0
Royal Hospital School Charitable Trust		-	-	-	-	-	-
Raising funds		5.9	0.4	6.3	5.9	0.4	6.3
		42.3	1.8	44.1	42.3	1.8	44.1

2023-24		Group			Charity		
	Note	Direct costs £m	Support costs £m	Total £m	Direct costs £m	Support costs £m	Total £m
Royal Hospital School		20.2	0.5	20.7	19.9	0.5	20.4
Sheltered housing		0.9	0.1	1.0	0.9	0.1	1.0
Grants, annuities and donations payable	7	5.5	0.6	6.1	5.5	0.6	6.1
Royal Hospital School Charitable Trust		-	-	-	-	-	-
Raising funds		6.9	0.5	7.4	6.9	0.5	7.4
		33.5	1.7	35.2	33.2	1.7	34.9

Support costs include governance costs totaling £0.9m (2023-24: £0.8m). The basis for the allocation of support costs is as follows:

Group	Basis of allocation	Royal			Grants		Total £m
		Raising funds £m	Hospital School £m	Sheltered housing £m	Annuities payable £m	Governance £m	
Salaries and other staff costs	Staff time	0.2	0.1	-	0.4	0.5	1.2
Audit and professional fees	Direct costs	-	-	-	-	0.3	0.3
Office expenses and depreciation	Staff time	0.1	-	-	0.1	0.1	0.3
Total 2024-25		0.3	0.1	-	0.5	0.9	1.8
Total 2023-24		0.3	0.1	-	0.5	0.8	1.7

Charity	Basis of allocation	Royal			Grants		Total £m
		Raising funds £m	Hospital School £m	Sheltered housing £m	Annuities payable £m	Governance £m	
Salaries and other staff costs	Staff time	0.2	0.1	-	0.4	0.5	1.2
Audit and professional fees	Direct costs	-	-	-	-	0.3	0.3
Office expenses and depreciation	Staff time	0.1	-	-	0.1	0.1	0.3
Total 2024-25		0.3	0.1	-	0.5	0.9	1.8
Total 2023-24		0.3	0.1	-	0.5	0.8	1.7

Group audit fees in respect of 2024-25 were £185,910 (2023-24: £185,960). The audit fees for the Charity in respect of 2024-25 were £177,410 (2023-24: £173,810). The fee for the independent examination of the Royal Hospital School Charitable Trust was £2,760 (2023-24: £2,460). No fees were paid to the auditors for non-audit work.

9 Staff, Secretary of State for Defence, Advisory Board and Finance Committee

Staff costs

	2024-25	2023-24
	£m	£m
Salaries and wages	9.3	9.1
Social security costs	1.0	0.9
Pension costs	1.3	1.4
	11.6	11.4
Composed of:		
Royal Hospital School	10.5	10.4
Head Office	1.1	1.0
	11.6	11.4

Termination benefits of £26,503 were paid out during 2024-25. Staff costs in 2023-24 included termination benefits of £10,000.

The average monthly number of staff was:

	Head count		Full-time equivalent	
	2024-25	2023-24	2024-25	2023-24
Royal Hospital School	247	257	203	206
Head Office	14	14	13	13
	261	271	216	219

The number of staff, including the Director, whose remuneration including benefits but excluding employer's pension contributions exceeded £60,000 was as follows:

	2024-25			2023-24		
	Royal Hospital School	Head Office	Total	Royal Hospital School	Head Office	Total
£60,000 to £69,999	21	1	22	15	1	16
£70,000 to £79,999	2	-	2	2	1	3
£80,000 to £89,999	2	1	3	2	-	2
£90,000 to £99,999	1	-	1	1	-	1
£100,000 to £109,999	-	-	-	1	-	1
£110,000 to £119,999	1	1	2	1	-	1
£120,000 to £130,000	1	-	1	-	1	1
£150,000 to £159,999	-	-	-	-	-	-
£160,000 to £169,999	-	-	-	1	-	1
£180,000 to £189,999	1	-	1	-	-	-
	29	3	32	23	3	26

Key management personnel are deemed to be the Director, the Clerk-in-Charge (currently the Director of Finance and Resources), the Director of Grants, the Director of Governance, the Director of Investment Property and the Director of Finance and Resources. During the year, remuneration including employer's pension and National Insurance contributions for key management personnel was £491,278 (2023-24: £419,557). Informal benchmarking against comparable posts elsewhere in the not-for-profit sector contributes to setting the pay of key management personnel.

The remuneration of the Director was £155,888 (2023-24: £157,695), including employer's pension and National Insurance contributions.

Secretary of State for Defence, Advisory Board and Finance Committee

The Secretary of State for Defence in his role as the representative of the Crown responsible for the governance of Greenwich Hospital on behalf of the Sovereign and members of the Advisory Board and Finance Committee neither received nor waived any remuneration for their services in those capacities or for any other services provided to Greenwich Hospital (2023-24: £nil). Expenses totaling £4,271 were reimbursed to members of the Advisory Board and Finance Committee during the year which relate to travel (2023-24: £2,661). No expenses were claimed by the Secretary of State for Defence in the above role.

10 Pension costs

Greenwich Hospital has a range of pension arrangements depending on staff role and when staff joined the Organisation. There is a defined benefit pension scheme analogous to the Civil Service schemes for non-teaching staff who joined prior to the scheme being closed to new joiners. Teachers belong to the Teachers' Pension Scheme (and since September 2022 have been able to join a defined contribution scheme). Other staff are offered the option of joining a defined contribution scheme.

The employer's contribution to these schemes in 2024-25 was £1.3m (2023-24: £1.4m).

	2024-25	2023-24
	£m	£m
Teachers' Pension Scheme	0.4	1.0
Defined contribution scheme	0.9	0.4
	1.3	1.4

Defined benefit scheme for non-teaching staff

Pension benefits to Hospital non-teaching staff were historically provided through defined benefit schemes analogous to Civil Service pension arrangements. These comprise defined benefit schemes; either a final salary scheme (Classic, Premium, and Classic Plus) or a whole career scheme (Nuvos). Pension benefits are either based on the members' final pensionable salaries and service at their retirement date (final salary) or are built up each year, linked to the members' pensionable salaries in that year and then increased each year in line with inflation (career average revalued earnings).

Pensions payable under the schemes are increased annually in line with changes in the Consumer Prices Index (CPI). Members may opt to give up (commute) their pension for a lump sum. The scheme is closed to new members and closure to further accrual was completed in 2020. These pensions are unfunded with the cost of benefits met by Greenwich Hospital.

There are now two categories of scheme members: deferred members – former active members of the scheme not yet in receipt of a pension; and pensioner members in receipt of a pension. At 31 August, the scheme membership comprised:

	2024-25	2023-24
Active Members	-	-
Deferred Members	79	84
Pensioners	276	278
	355	362

A full actuarial valuation of the liability is carried out every three years with the results updated in the intervening years. The most recent full valuation was undertaken by Isio Group Limited at 31 August 2025 and a pension liability is included in the balance sheet. The assumptions used in the valuation were as follows:

	2025	2024
Significant actuarial assumptions:		
Discount rate	5.70%	4.90%
Inflation: Consumer Prices Index (CPI)	2.50%	2.65%
Mortality assumptions:		
Mortality before and after retirement	S4PA Middle with CMI 2024 and 1% pa long-term improvements	S3PA Middle with CMI 2023 and 1% pa long-term improvements
Other actuarial assumptions:		
Pension increases in payment - in line with CPI	2.60%	2.65%
Revaluation of deferred pensions in excess of guaranteed minimum pension	2.50%	2.65%
Life expectancies assumed are as follows:		

	2025	2025	2024	2024
	Males	Females	Males	Females
For an individual aged 65 in 2025	20.7	23.2	20.6	23.2
At age 65 for an individual aged 45 in 2025	21.7	24.3	21.6	24.3

2024 mortality experience in England & Wales was around 4% lower overall than in 2023, and slightly below the previous record low year of 2019. Recognising that recent experience is reflective of an underlying long-term trend, the best-estimate view of future mortality is to adopt a new half-life parameter of 0.5 alongside the S4 base tables and CMI_2024 improvement tables. These assumptions will be kept under review as further data and mortality tables are published in the future.

A reconciliation of the scheme's defined benefit obligation is in the next table.

	2024-25	2023-24
	£m	£m
At 1 September 2024	(20.2)	(20.8)
Benefits paid	1.2	1.3
Interest cost	(1.0)	(1.0)
Actuarial gains	1.9	0.3
At 31 August 2025	(18.1)	(20.2)

A reconciliation to the Group and Charity balance sheets is in the next table.

	2025	2024
	£m	£m
Present value of defined benefit obligation	(18.1)	(20.2)
Funded status	(18.1)	(20.2)
Pension liability recognised in the balance sheets	(18.1)	(20.2)

Amounts recognised in the Consolidated and Charity Statements of Financial Activities:

	2024-25	2023-24
	£m	£m
Interest cost	(1.0)	(1.0)
Actuarial gains on defined benefit obligation	1.9	0.3

In June 2023, the UK High Court ruled in the case of “Virgin Media Limited v NTL Pension Trustees II Limited and others” that certain historical pension changes to defined benefit pension schemes may be invalid due to the lack of actuarial confirmation. In July 2024 the Court of Appeal dismissed an appeal against the decision brought by Virgin Media Limited.

The Scheme provides benefits in line with the Principal Civil Service Pension Scheme (PCSPS). It is not yet clear whether or how public sector schemes (including the PCSPS) may be affected by the judgement. The level of contractual commitment the Hospital has to mirror the PCSPS in an ongoing way is also uncertain. At this stage, no adjustment has been made in calculating the defined benefit obligation at 31 August 2025 but the Hospital is aware that there is the potential for a contingent liability at that date. The issue will be reviewed again in 2026.

Sensitivity Analysis

At the reporting date, reasonable possible changes to one of the relevant actuarial assumptions, with the other assumptions held constant, would have affected the defined benefit obligation by the amounts shown below.

	2025
	£m
	Increase/ (decrease)
Discount rate +0.25%	(0.4)
CPI +0.25%	0.4
Life Expectancy +1 year	0.6

Defined contribution money purchase schemes

Since July 2011, Greenwich Hospital has offered defined contribution schemes to all new employees. The schemes have been money-purchase schemes and all deductions paid are non-refundable. The employer’s contributions of £0.9m (2023-24: £0.4m) were a cost to Greenwich Hospital in the year.

Teachers’ Pension Scheme

The School participates in the Teachers' Pension Scheme (TPS) for its teaching staff. The pension charge for the year includes contributions payable to the Scheme of £0.4m (2023-24: £1.0m) and at the year-end £nil (2024: £0.1m) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by the Teachers’ Pension Scheme Regulations 2014. Members contribute on a “pay as you go” basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament. The employer contribution rate is set following scheme valuations undertaken by the Government Actuary's Department. The latest actuarial valuation of the TPS was prepared as at 31 March 2020 and the valuation report, which was published in October 2023, confirmed an employer contribution rate for the TPS of 28.60% from 1 April 2024 (previously 23.60%). Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 28.68%. This valuation will also determine the opening balance of the cost cap fund and provide an analysis of the cost cap as required by the Public Service Pensions Act 2013.

In response to the significant increase to the employers contribution to the TPS scheme and recognising the significant financial pressures facing the independent school sector, the School entered into consultation with members of teaching staff in February 2024 regarding withdrawal from TPS. Following a lengthy and constructive engagement the School opted for a phased withdrawal from TPS effective from 1 July 2024, meaning that it is closed to new members of staff after that date.

Those remaining in TPS had their pensionable salary reduced from 1 January 2025 to recompense the School for the additional cost between the rate of 23.68% at the start of consultation and the new rate of 28.68% effective from 1 April 2025.

11 Charitable property

	Royal Hospital school £m	Supported housing £m	Sheltered housing £m	Total Charity and Group £m
Cost or valuation at 1 September 2024	43.4	0.4	7.2	51.0
Additions	2.3	-	-	2.3
Impairment	(8.1)	-	-	(8.1)
Revaluation gain/(loss)	-	-	(0.2)	(0.2)
Cost at 31 August 2025	37.6	0.4	7.0	45.0
Depreciation at 1 September 2024	18.2	-	-	18.2
Charge for the year	-	-	-	-
Depreciation at 31 August 2025	18.2	-	-	18.2
Cost or valuation at 31 August 2025	19.4	0.4	7.0	26.8
Cost or valuation at 31 August 2024	25.2	0.4	7.2	32.8

Supported housing is held at historic cost less depreciation. The supported housing is a property purchased in Gosport as temporary accommodation with support for veterans.

Sheltered housing is held at market value. Greenwich Hospital's expenditure on sheltered housing is capitalised at historic cost on acquisition and revalued every three years as at 31 August. The valuation is carried out using an independent valuer, in accordance with the Royal Institute of Chartered Surveyors Global Standards in force at the time the valuation was instructed. The most recent valuation conducted by BNP Paribas was at 31 August 2024. In other years, the revaluation is calculated by using the United Kingdom Housing Price Index. Unrealised gains or losses on revaluation are recognised in the Statement of Financial Activities. Based on the historical cost of £6.7m, the depreciation charge would be £0.1m (2023-24: £0.1m), and accumulated depreciation of £3.0m (2023-24: £2.9m), giving a net book value of £3.7m (2023-24: £3.8m).

An impairment loss of £8.1m has been recognised in the year following the agreement to sell the assets and business comprising the Royal Hospital School, which completed on 28 November 2025. The sale constituted an indicator of impairment under Module 12 of the Charities SORP (FRS 102). The carrying amount of RHS-related charitable property as at 31 August 2024 was £25.2m. Following a valuation carried out by Strutt & Parker, an independent valuer, on 5 November 2025, in accordance with the Royal Institute of Chartered Surveyors Global Standards in force at the time the valuation was instructed, the carrying value has been reduced to £19.4m. This represents the recoverable amount of the properties retained by Greenwich Hospital. The impairment has been recognised within charitable activities of the SOFA in accordance with SORP requirements.

No depreciation has been charged on those assets, which have been valued at the lower of the carrying value and the fair value, resulting in an impairment loss of £8.1m.

12 Heritage assets

Greenwich Hospital has a large and diverse art collection which it accumulated over its long history. The origin of the collection was 'The National Gallery of Naval Art' which was opened in 1824 in the Painted Hall at the Royal Hospital for Seamen Greenwich. The 'Naval Gallery', as it became known, was Britain's first 'national historical' art museum: it aimed to promote Naval patriotism, and maintain the public charitable profile of Greenwich Hospital, by a display of art showing great events and figures of Britain's maritime past.

The Gallery was based entirely on gifts. Greenwich Hospital already had some paintings and George IV launched it by presenting over 30 Naval portraits from the Royal Collection. In 1829, he added Turner's 'Battle of Trafalgar' with its pendant, Philippe de Loutherbourg's 'Battle of 1 June 1794'. Others followed his example and eventually the Painted Hall held nearly 300 works of art.

The Gallery was very popular in the 19th century. It closed when the National Maritime Museum was founded in the 1930s and Greenwich Hospital transferred most of its contents to the new Museum, on permanent loan in 1936. There is a memorandum of understanding in place between Greenwich Hospital and the National Maritime Museum (NMM) where it is agreed that the NMM will apply the same standards of care to the Greenwich Hospital Collection as the NMM applies to its own collection as a national museum. This also applies to items loaned back to Greenwich Hospital for display.

Financial Reporting Standard 102 requires that where information on cost or value is available, heritage assets should be reported in the balance sheet separately from other tangible assets. However, where this information is not available and cannot be obtained at a cost commensurate with the benefits to the user of the accounts the assets will not be recognised in the balance sheet. Assets received by Greenwich Hospital were largely gifted to it prior to 1950, and records do not remain that ascertain their value on receipt. As Greenwich Hospital is a caretaker of these assets, with no intention of selling them, either due to their value to the nation, or because they hold value of historic importance to Greenwich Hospital's legacy, there is no specific economic benefit to be derived from them.

The assets included within these accounts relate solely to those insured by Greenwich Hospital. In the event of their destruction, they would give rise to an economic benefit, and as such have been capitalised at the insured value. For the purpose of insurance, these assets were valued at various dates mainly in 2014 by Townleys and 2012 by Sothebys. These valuations have been taken as their fair value at the time of recognition and have been considered deemed cost going forwards in line with the accounting policy. The number of assets which have been valued is 55 unchanged from 2023-24.

Group and Charity	2025	2024	2023	2022	2021
	£m	£m	£m	£m	£m
Value at 1 September 2024	2.3	2.3	2.9	2.9	2.9
(Disposals)/ additions	-	-	(0.6)	-	-
Value at 31 August 2025	2.3	2.3	2.3	2.9	2.9

The next table shows the number of heritage assets by their nature.

	National Maritime Museum	Other locations	Total
Furniture	1	51	52
Manuscripts	14	5	19
Oil Paintings	243	23	266
Orders & Medals	15	1	16
Plate	38	51	89
Polar Equipment & Relics	56	-	56
Prints and Drawings	55	19	74
Sculptures	19	11	30
Ship Models	22	2	24
World Cultures	41	-	41
Horological Instruments	8	6	14
Personal Effects & Relics	9	2	11
Textiles	12	-	12
Uniforms	10	2	12
Other art	55	35	90
	<u>598</u>	<u>208</u>	<u>806</u>

13 Other tangible assets

	Motor vehicles	Plant and machinery	Furniture and equipment	IT equipment	Leasehold Improvement	Total Charity and Group
	£m	£m	£m	£m	£m	£m
Cost at 1 September 2024	0.3	2.6	0.8	1.5	0.2	5.4
Additions	-	0.2	0.1	0.2	-	0.5
Impairment	(0.1)	(0.8)	(0.3)	(0.7)	-	(1.9)
Disposals/ write-offs	-	(0.2)	-	-	-	(0.2)
Cost at 31 August 2025	<u>0.2</u>	<u>1.8</u>	<u>0.6</u>	<u>1.0</u>	<u>0.2</u>	<u>3.8</u>
Depreciation at 1 September 2024	0.3	1.8	0.4	1.0	-	3.5
Charge for the year	-	-	-	-	0.1	0.1
Released on disposal/ write-offs	(0.1)	(0.2)	-	-	-	(0.3)
Depreciation at 31 August 2025	<u>0.2</u>	<u>1.6</u>	<u>0.4</u>	<u>1.0</u>	<u>0.1</u>	<u>3.3</u>
Net book value 31 August 2025	<u>-</u>	<u>0.2</u>	<u>0.2</u>	<u>-</u>	<u>0.1</u>	<u>0.5</u>
Net book value 31 August 2024	-	0.8	0.4	0.5	0.2	1.9

The net book value of assets held under finance leases included in above total is £0.2m (2023-24: £0.2m).

During the year, Greenwich Hospital decided to dispose of assets comprising the Royal Hospital School in Suffolk. The sale completed on 28 November 2025.

No depreciation has been charged on those assets, which have been valued at the lower of the carrying value and the fair value, resulting in an impairment loss of £1.9m.

14 Investment property

	Total Charity £m	Travers Foundation £m	Total Group £m
Valuation at 1 September 2024	190.3	10.7	201.0
Additions	0.5	0.1	0.6
Disposal	(1.6)	-	(1.6)
Contribution	(0.1)	-	(0.1)
Revaluation	(2.0)	4.1	2.1
Valuation at 31 August 2025	187.1	14.9	202.0

Investment property comprises freehold land and buildings and is shown at market value as at 31 August 2025. The property includes Holbrook Estate, Northern Estates and Greenwich Estate.

Savills provided a valuation of the Holbrook Estate, the Northern Estates and the Throckley site. The valuation provided by Savills for the Travers Foundation property at Bovills Hall Farm was subsequently adjusted to net realisable value, to reflect the disposal of the freehold land at Bovills Hall after the year-end. BNP Paribas provided a valuation of the Greenwich Estate.

All the individuals who undertook valuations have the relevant knowledge, skills, qualifications and understanding to competently value the estates and did so on a professional basis.

In addition to the above items, Greenwich Hospital also owns heritage property including the Old Royal Naval College, the Dreadnought Seamen's Hospital and Devonport Nurses Home. These buildings are classed as investment properties as they are currently being occupied by other organisations under operating leases on peppercorn rents. Each operating lease lasts for 150 years from 1998. These buildings are part of the Maritime Greenwich World Heritage Site (UNESCO reference 795). Due to the nature of these assets and the terms on which they are occupied, their value is nominal. The valuation of heritage property is discussed in note 1 (d).

Greenwich Hospital also owns the King William Pier (known as Greenwich Pier). This structure is classed as an investment property as it is currently being occupied by the Port of London Authority under a lease lasting for 999 years from 2010. No value has been ascribed to this asset in these accounts. Greenwich Hospital also owns Bellot Memorial Gardens, a small patch of land next to Greenwich Pier. Greenwich Hospital is responsible for maintaining the memorial, garden and sea wall railings. No alternative uses or potential to create an income have been identified for this land. No value has been ascribed to this asset in these accounts.

Included in the Greenwich Estate property is the estate management office at 6 College Approach, valued at £nil (2023-24: £0.3m). This is provided rent free to the managing agents as part of the estate management contract.

15 Financial investments

a) Direct financial investments

Greenwich Hospital disposed of its 10.253% beneficial interest in the Pollen Estate in November 2024 for a consideration of £81.5m.

	Charity and Group £m 2024-25	Charity and Group £m 2023-24
Valuation at 1 September	81.4	76.1
Distribution	0.1	-
Disposal	(81.5)	-
Revaluation gains	-	5.3
Valuation at 31 August	-	81.4

b) Indirect financial investments

During the year, the proceeds of £81.5m emanating from Greenwich Hospital's disposal of its interest in the Pollen Estate were invested in short-term money market funds managed by Newton Investment Management. The aim of the fund is to provide stability of capital and daily liquidity, seeking to offer an income comparable to short-term sterling interest rates.

The investment strategy was revised in year. Consequently, £107.7m funds were sold and replaced with funds aligned with the new strategy.

	Group 2024-25 £m	Group 2023-24 £m	Charity 2024-25 £m	Charity 2023-24 £m
Market value at 1 September	135.0	122.6	134.4	122.0
Additions - Money Market Funds	81.5	0.2	81.5	0.2
Money Market Funds dividends	0.4	-	0.4	-
Additions - Pooled funds	107.7	-	107.7	-
Disposals – Pooled funds	(107.7)	-	(107.7)	-
Realised gain on disposal	0.5	-	0.5	-
Gain on revaluation	8.8	12.2	8.8	12.2
Market value at 31 August	226.2	135.0	225.6	134.4

Indirect financial investments included in fixed asset investments comprise the following:

	Group at cost 2025 £m	Group at market value 2025 £m	Charity at cost 2025 £m	Charity at market value 2025 £m	Group at cost 2024 £m	Group at market value 2024 £m	Charity at cost 2024 £m	Charity at market value 2024 £m
UK equities	14.6	27.7	14.6	27.7	29.4	50.5	29.4	50.5
Real Return	39.9	42.0	39.9	42.0	-	-	-	-
Overseas equities	67.9	71.8	67.9	71.8	28.2	63.1	28.2	63.1
Fixed interest investments	--	-	-	-	9.4	8.2	9.4	8.2
Reade Accumulation Fund	--	-	-	-	5.9	10.3	5.9	10.3
Money Market Fund	81.5	81.8	81.5	81.8	-	-	-	-
Charities Investment Fund	0.5	0.6	-	-	0.5	0.6	-	-
School Fund	2.0	2.3	2.0	2.3	2.0	2.3	2.0	2.3
	206.4	226.2	205.9	225.6	75.4	135.0	74.9	134.4

16 Debtors: amounts falling due within one year

	Group	Group	Charity	Charity
	2025	2024	2025	2024
	£m	£m	£m	£m
Rents receivable	0.4	0.4	0.4	0.4
Accrued income	0.3	0.6	0.3	0.6
Other debtors and prepayments	6.3	4.6	6.6	4.9
	7.0	5.6	7.3	5.9

17 Note to the cash flow statement

Analysis of cash and cash equivalents at the year-end:

	Group	Group	Charity	Charity
	2025	2024	2025	2024
	£m	£m	£m	£m
Other bank accounts and cash in hand	19.8	24.4	19.3	24.0
Capital and income investment accounts	0.6	1.8	0.6	1.8
	20.4	26.2	19.9	25.8

Analysis of changes in net debt:

Group

	At start	Cashflows	Finance	Other non-	At end of
	of year		Lease	cash	year
	£m	£m	movements	changes	£m
			£m	£m	
Cash	26.2	1.2	-	(7.0)	20.4
Finance lease obligations	(0.3)	-	0.1	-	(0.2)
	25.9	1.2	0.1	(7.0)	20.2

Charity

	At start	Cashflows	Finance	Other non-	At end of
	of year		Lease	cash	year
	£m	£m	movements	changes	£m
			£m	£m	
Cash	25.8	1.3	-	(7.2)	19.9
Finance lease obligations	(0.3)	-	0.1	-	(0.2)
	25.5	1.3	0.1	(7.2)	19.7

18 Creditors

	Group	Group	Charity	Charity
	2025	2024	2025	2024
	£m	£m	£m	£m
Amounts falling due within one year				
Trade creditors	1.1	0.8	1.1	0.8
School fees and related amounts received in advance	5.3	8.0	5.3	8.0
School fee deposits	0.6	0.8	0.6	0.8
Rents received in advance	0.5	0.5	0.5	0.5
Rent deposits	1.6	1.4	1.6	1.4
Other creditors	1.9	0.6	1.9	0.6
Accruals	1.5	1.9	1.5	1.9
	12.5	14.0	12.5	14.0
Amounts falling due after one year				
Obligations under finance leases after one year (note 19)	0.1	0.2	0.1	0.2
	12.6	14.2	12.6	14.2

School fees and related amounts received in advance are in connection with the Royal Hospital School and includes Michaelmas term School fees, and in some cases fees paid for the full academic year, invoiced in advance of £3,759,879 (2023-24: £6,335,493). Also included are fees paid under the fees in advance scheme of £1,575,415 (2023-24: £1,668,639).

Accruals falling due within one year include £25,000 (2023-24: £275,000) in relation to new grant commitments, where the beneficiary has been informed of the award at the year end and there are no further payment conditions which are within the control of Greenwich Hospital.

Those grant commitments which have not been accrued because payment is contingent on certain conditions are disclosed in note 24.

19 Obligations under finance leases

	2025	2024
	£m	£m
Gross and net obligations repayable:		
within one year	0.1	0.1
in the second to fifth years	0.1	0.2
	0.2	0.3

Obligations under finance leases represent future capital payments under a contract for which catering services provide catering equipment at the Royal Hospital School. The contract runs until 2029.

20 Operating lease commitments

	Land and buildings 2025 £m	Plant and machinery 2025 £m	Land and buildings 2024 £m	Plant and machinery 2024 £m
Operating leases				
within one year	0.1	0.1	0.1	0.2
in the second to fifth years	0.1	0.2	0.2	0.3
	0.2	0.3	0.3	0.5

The operating lease for Land and buildings relates to the lease dated 26 September 2022 for the Head Office at 1-2 Bolt Court, London, EC4A 3DQ. The remaining operating leases are mainly in relation to the School.

21 Operating leases as a lessor

Minimum rent due under non-cancellable operating leases:

	Group 2025 £m	Group 2024 £m	Charity 2025 £m	Charity 2024 £m
Investment property				
Not later than one year	5.0	4.8	5.0	4.8
After one year but not more than five	14.0	13.6	14.0	13.6
After five years	68.3	69.1	68.3	69.1

Values of properties held for use under operating leases:

	Group 2025 £m	Group 2024 £m	Charity 2025 £m	Charity 2024 £m
Charitable property	7.4	7.6	7.4	7.6
Investment property	202.0	201.0	187.1	190.3

There are operating leases for the commercial property at Greenwich, Holbrook and the Northern estates. An operating lease also exists between Greenwich Hospital and CESSAC for the sheltered housing, between Greenwich Hospital and Greenwich Foundation for the Old Royal Naval College and between Greenwich Hospital and Alabaré for the supported housing.

22 Statement of funds

Unrestricted funds:

	Balance at 1 September 2024	Net incoming/ (outgoing) resources	Actuarial gain on pension liability	(Loss)/Gain on Revaluation of charitable properties	Internal transfer	Balance at 31 August 2025
	£m	£m	£m	£m	£m	£m
Charity						
General fund	437.0	(3.3)	1.9	(0.2)	-	435.4
Designated fund	-	-	-	-	-	-
Revaluation reserve	3.2	-	-	-	-	3.2
	440.2	(3.3)	1.9	(0.2)	-	438.6
Group						
General fund	447.3	0.8	1.9	(0.2)	-	449.8
Designated fund	-	-	-	-	-	-
Revaluation reserve	3.2	-	-	-	-	3.2
	450.5	0.8	1.9	(0.2)	-	453.0

Designated funds represent monies the School has earmarked for specific projects.

Restricted funds:

	Balance at 1 September 2024	Incoming resources	Resources expended	Internal transfer	Balance at 31 August 2025
	£m	£m	£m	£m	£m
Charity					
School funds	0.3	0.5	(0.5)	-	0.3
	0.3	0.5	(0.5)	-	0.3
Group					
School funds	0.3	0.5	(0.5)	-	0.3
RHS Charitable Trust	1.1	0.2	-	-	1.3
	1.4	0.7	(0.5)	-	1.6

Restricted funds represent monies received by way of gifts and legacies where the use is limited by specific conditions. They relate to the School and include funds for bursaries, capital redevelopment projects and for specific clubs and societies.

Analysis of net assets between funds:

	Unrestricted fund 2025	Restricted fund 2025	Unrestricted fund 2024	Restricted fund 2024
	£m	£m	£m	£m
Group				
Fixed assets	29.6	-	37.0	-
Investment assets	427.5	0.7	416.7	0.7
Current assets	26.6	0.9	31.2	0.7
Current liabilities	(12.5)	-	(14.0)	-
Non-current liabilities	(0.1)	-	(0.2)	-
Pension liability	(18.1)	-	(20.2)	-
	453.0	1.6	450.5	1.4

23 Capital commitments

A contract was in place on one of the Northern Estates for the development of main infrastructure for £8.3m. At the year-end work to the full value of £8.2m (2023-24: £8.1m) had been completed.

24 Grant commitments

	2025 £m	2024 £m
Grants provided for (beneficiary has been informed of the award at the year end and there are no further payment conditions which are within the control of Greenwich Hospital)	-	0.3

As at the year end, Greenwich Hospital has made grant commitments for future years as shown in the next table. The organisations have been informed of Greenwich Hospital's intention to provide this funding over several years, but the grants are subject to satisfactory annual review and are not considered binding commitments.

	2025-26 £m	2026-27 £m	Total £m
Grants committed but not provided for as contingent on certain conditions not met as at year end	3.5	3.6	7.1

25 Contingent liabilities

In connection with Greenwich Hospital's status as a Crown body and not a charity registered with the Charities Commission, HMRC are challenging the validity of donations made by RHSEL to RHS using gift aid relief and thereby exposing RHSEL to a corporation tax liability. The Directors of RHSEL have sought professional advice on this point which has been inconclusive and there are ongoing negotiations with HMRC. In the event that agreement cannot be reached on this matter, there is an estimated corporation tax liability of £240k, before interest and penalties, going back to 2018, which does not constitute a material adverse effect on the accounts of Greenwich Hospital.

26 Related party transactions

Secretary of State for Defence

The Secretary of State for Defence is responsible for the governance of Greenwich Hospital on behalf of the Sovereign and as a representative of the Crown.

Ministry of Defence

Grants of £150,000 (2023-24: £214,390) were made to welfare and amenity funds on ships and bases.

Travers Foundation

Under the Armed Forces Act 1976, the assets of the Travers Foundation are treated as the property of Greenwich Hospital and the income can be applied for the general purposes of Greenwich Hospital. No conflict of interest therefore exists in Greenwich Hospital's involvement in its decision making. All cash funds are transferred to Greenwich Hospital for its exclusive use, but with the anticipation that Greenwich Hospital will finance any expenditure that Foundation cannot fund through its ongoing activities. The balance due to Greenwich Hospital from the Foundation at the year-end was £278,812 (2023-24: £205,749). From time to time, the Foundation donates the amount due to Greenwich Hospital. No donation was made in 2024-25 or 2023-24. The accounts of the Foundation are consolidated in the group accounts.

Royal Borough of Greenwich Destination Management Company, 'Visit Greenwich'

Greenwich Hospital is a member of the Royal Borough of Greenwich Destination Management Company, a community interest company which trades as Visit Greenwich. Greenwich Hospital has a liability of £1 in the event of the company being wound up. The Director of Finance and Resources was appointed as a director on 15 January 2025 and resigned on 27 January 2026. There were transactions totaling £91,620 (2023-24 £66,845) for advertising by Visit Greenwich during the year, of which £23,183 (2023-24 £nil) was due to the company at the end of the year.

Advisory Board members

Vice Admiral Sir Martin Connell a member of the Advisory Board, is a trustee to Naval Children's Charity which received grants totaling £ 310,421 during the year from Greenwich Hospital. No conflict of interest occurred.

Mark Lewthwaite, member of the Advisory Board is a Director of RNRMC Enterprises Ltd, a trading arm of RNRMC Charity, which exists as a VAT-registered vehicle for merchandise sales and ticketed RM Band Service events. The RNRMC received grants totaling £1.5m during the year from Greenwich Hospital. No conflict of interest occurred.

The Royal Hospital School

Yvonne Spencer a member of the School's Governing Body, is a full equity member of law firm Veale Wasbrough Vizards (VWV). VWV is not the School's retained firm but was instructed during the year in relation to a restructuring exercise. She is not the client partner contact for the School.

The Royal Hospital School Charitable Trust

The Royal Hospital School Charitable Trust is a Charitable Incorporated Organisation set up to benefit the pupils of the Royal Hospital School. It made donations of £46,003 (2023-24 £55,718) to the School which is a part of Greenwich Hospital.

GH1 (formerly Royal Hospital School Enterprises Limited)

GH1, is a subsidiary Greenwich Hospital. Included in Other debtors and prepayments is an amount of £9,535 (2023-24: £664,380) owed by GH1.

In addition to GH1, the School has three related organisations: an alumni association, a parent's association and a fundraising trust. The group had no material transactions (2023-24 £nil) with these organisations.

27 Financial instruments

Greenwich Hospital's financial instruments as defined in Financial Reporting Standard 102 are set out by category in the next table.

	Group	Group	Charity	Charity
	2025	2024	2025	2024
	£m	£m	£m	£m
Financial assets				
Pooled funds	144.4	135.0	143.8	134.4
Money Market Funds	81.8	-	81.8	-
Cash held	20.4	26.2	19.9	25.8
Rent and other receivables	7.0	5.6	7.3	5.9
Total financial assets	253.6	166.8	252.8	166.1
Financial liabilities				
Finance lease liabilities	0.1	0.1	0.1	0.1
Trade and other payables	12.4	13.9	12.4	13.9
Liabilities falling due after more than one year	0.1	0.2	0.1	0.2
Total financial liabilities	12.6	14.2	12.6	14.2

The significance of these financial instruments to the risk profile of Greenwich Hospital is set out below.

Interest rate risk

Greenwich Hospital's exposure to interest rate is not material due to the relatively small proportion of financial assets held as cash on deposit. The impact of interest rate movements on the value of pooled funds is considered under the section "Financial investment price risk". Finance leases are on fixed rentals and interest rate movements have no impact on the value of rent and other receivables nor on the value of trade and other payables.

Liquidity risk

To ensure sufficient cash is available to meet operating and investment plans, cash flow projections are maintained and are reviewed regularly.

In addition, Greenwich Hospital's investment portfolio includes readily realisable funds.

Foreign currency risk

Greenwich Hospital has exposure to currency risk through its holdings in collective funds which invest in non-Sterling denominated pooled funds. These investments are held for the long term, so it is Greenwich Hospital's policy not to hedge the net investment in each foreign currency and risk is managed through diversification. In addition, the proportion of such funds relative to the whole portfolio is monitored regularly.

Financial investment price risk

Investments are managed by professional fund managers in line with the Greenwich Hospital's Investment Policy which aims to balance risk and return effectively by placing limits on the amounts invested in different classes of assets; risk is positively managed through diversification across asset types and geographies. The policy is reviewed annually by the Finance Committee, with the objective of safeguarding Greenwich Hospital's investment assets and maximising total return from the assets.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to Greenwich Hospital. Greenwich Hospital is exposed to credit risk in respect of its cash deposits and rent receivables. At 31 August 2025, cash deposits were invested with banks of sound credit standing of at least Standard & Poor's A-2 rating. Rent receivables consist of amounts due from many tenants, spread across diverse residential and commercial sectors. Procedures are in place to check the financial standing of all new counterparties before commencement of tenancies. An active credit control policy is applied to the management of rent arrears.

28 Post balance sheet events

In accordance with the requirements of the Charities SORP, events after the end of the reporting period are considered up to the date on which the accounts are authorised for issue. This is interpreted as the date of the Audit Report of the Comptroller and Auditor General.

On 28 November 2025, the trade and assets comprising the Royal Hospital School were sold to Ro Ho London Limited, part of the Inspired Learning Group.

On 31 October 2025, Travers Foundation disposed of the freehold land at Bovills Hall, made up primarily of land that could be designated for mixed use development, for a total consideration of £14,780,000.

On 11 May 2026, a portion of the Greenwich Estate, part of Greenwich Hospital's commercial portfolio, comprising properties in College Approach, Nelson Road, King William Walk and Greenwich Church Street was marketed for sale.

There have been no other events since the end of the financial year which would affect the understanding of the financial statements.

Travers Foundation

Annual report and accounts 2024-2025

TRAVERS FOUNDATION

CONTENTS

Governance statement	64
Statement of Secretary of State for Defence's and Director's responsibilities	65
Statement as to disclosure of information to Auditors	65
The certificate and report of the Comptroller and Auditor General to the Houses of Parliament	66
Accounts	71
Statement of financial activities	71
Balance sheet	72
Cash flow	73
Notes to the accounts	74

TRAVERS FOUNDATION

GOVERNANCE STATEMENT

The Travers Foundation was established in 1725 by the will of Samuel Travers, for the payment of pensions to retired Lieutenants of the Royal Navy. The assets of the Foundation were transferred to the Admiralty by the Naval Knights of Windsor (Dissolution) Act 1892 and from them to the Secretary of State by the Defence (Transfer of Functions) Act 1964. Since 1892 the Travers Foundation has been administered by Greenwich Hospital. By the Armed Forces Act 1976, the assets of the Foundation are treated as the property of Greenwich Hospital and the income can be applied for the general purposes of Greenwich Hospital.

The Secretary of State for Defence is the representative of the Crown responsible for the governance of Greenwich Hospital on behalf of the Sovereign and is answerable to Parliament for the affairs of Greenwich Hospital. The Secretary of State is supported in the exercise of his responsibilities by the Parliamentary Under-Secretary of State for Defence with the day-to-day administration of Greenwich Hospital delegated to the Director of Greenwich Hospital. The office of the Director of Greenwich Hospital is provided for by the Greenwich Hospital Act 1865 (s.20). The Director of Greenwich Hospital is appointed by the Secretary of State for Defence on the advice of the Admiralty Board. The Director of Greenwich Hospital is responsible by a Directive from the Secretary of State for Defence for the proper and effective conduct of the functions of Greenwich Hospital including the regularity and propriety of Greenwich Hospital's administration adhering faithfully to the spirit of the Charter and complying with the relevant statutes.

The Travers Foundation is therefore administered by Greenwich Hospital in accordance with Greenwich Hospital's principles and standards of governance, which are set out in Greenwich Hospital's structure, governance and management report on pages 17 to 22 of these accounts.

Review of the Effectiveness of Internal Controls

As the Director of Greenwich Hospital and its Accounting Officer, I am responsible to the Secretary of State for Defence in his capacity as the representative of the Crown who is responsible for the governance of Greenwich Hospital on behalf of the Sovereign, for

- Maintaining an effective system of internal control that supports the achievement of the policies, aims and objectives of the Travers Foundation;
- Safeguarding the funds and assets of the Travers Foundation; and
- The regularity and propriety of the administration and expenditure of the Travers Foundation in accordance with the objects of the Foundation and the provisions of the relevant Acts of Parliament.

As Accounting Officer, I can give a reasonable assurance on the effectiveness and current quality of internal control for the Travers Foundation.

Deirdre Mills
Director of Greenwich Hospital

8 June 2026

TRAVERS FOUNDATION

STATEMENT OF SECRETARY OF STATE FOR DEFENCE'S AND DIRECTOR'S RESPONSIBILITIES

The Director is the accounting officer for Greenwich Hospital and is responsible for preparing the Annual Accounts for Travers Foundation and submitting them for audit. The Annual Accounts of the Travers Foundation are to be kept separate from those of Greenwich Hospital in accordance with Section 21 (3) of the Armed Forces Act 1976. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of Travers Foundation and of its income and expenditure, recognised gains and losses and cash flows for the financial year.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

In so far as I am aware there is no relevant audit information of which Greenwich Hospital's auditors are unaware. I have taken all steps that I ought to have taken to make myself aware of any relevant audit information and to establish that the auditors are aware of that information.

Deirdre Mills
Director of Greenwich Hospital

8 June 2026

THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE HOUSES OF PARLIAMENT

Opinion on financial statements

I certify that I have audited the financial statements of the Travers Foundation for the year ended 31 August 2025 under the Armed Forces Act 1976.

The financial statements comprise the Travers Foundation's:

- The Balance Sheet as at 31 August 2025;
- Statement of Financial Activities and Cash Flows for the year then ended; and
- the related notes including the significant accounting policies.

The financial reporting framework that has been applied in the preparation of the Financial statements is applicable law and United Kingdom accounting standards including Financial Reporting Standards (FRS) 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In my opinion, the financial statements:

- give a true and fair view of the state of the Travers Foundation's affairs as at 31 August 2025 and its Net Income for the year then ended;
- have been properly prepared in accordance with the Armed Forces Act 1976 and Secretary of State directions issued thereunder.

Opinion on regularity

In my opinion, in all material respects, the income and expenditure recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs (UK)), applicable law and Practice Note 10 *Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom (2024)*. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of my certificate.

Those standards require me and my staff to comply with the Financial Reporting Council's *Revised Ethical Standard 2024*. I am independent of the Travers Foundation in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the Travers Foundation's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

TRAVERS FOUNDATION

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Travers Foundation'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.

My responsibilities and the responsibilities of the Director with respect to going concern are described in the relevant sections of this certificate.

Other information

The other information comprises information included in the Governance Statement, but does not include the financial statements and my auditor's report thereafter. The Director is responsible for the other information.

My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

In my opinion, based on the work undertaken in the course of the audit:

- the information given in the Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the applicable legal requirements.

Matters on which I report by exception

In the light of the knowledge and understanding of the Travers Foundation and its environment obtained in the course of the audit, I have not identified material misstatements in the information given in the Governance Statement.

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept by the Travers Foundation or returns adequate for my audit have not been received from branches not visited by my staff; or
- I have not received all of the information and explanations I require for my audit; or
- the financial statements are not in agreement with the accounting records and returns; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

TRAVERS FOUNDATION

Responsibilities of the Director for the Financial Statements

As explained more fully in the Statement of Secretary of State for Defence's and Director's, the Director is responsible for:

- maintaining proper accounting records;
- providing the C&AG with access to all information of which management is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
- providing the C&AG with additional information and explanations needed for his audit;
- providing the C&AG with unrestricted access to persons within the Travers Foundation from whom the auditor determines it necessary to obtain audit evidence;
- ensuring such internal controls are in place as deemed necessary to enable the preparation of financial statements to be free from material misstatement, whether due to fraud or error;
- preparing financial statements, which give a true and fair view, in accordance with the applicable financial reporting framework;
- assessing the Travers Foundation'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 Director intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit and express an opinion on the financial statements in accordance with the Armed Forces Act 1976.

My 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 a report that includes my 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.

Extent to which the audit was considered capable of detecting non-compliance with laws and regulations including fraud

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

Identifying and assessing potential risks related to non-compliance with laws and regulations, including fraud

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud I:

- considered the nature of the sector, control environment and operational performance including the design of the Travers Foundation's accounting policies.
- inquired of management and those charged with governance, including obtaining and reviewing supporting documentation relating to the Travers Foundation's policies and procedures on:

TRAVERS FOUNDATION

- identifying, evaluating and complying with laws and regulations;
- detecting and responding to the risks of fraud; and
- the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including the Travers Foundation's controls relating to the Armed Forces Act 1976, the Defence (transfer of Function Act) 1964 and Managing Public Money;
- inquired of management, internal audit team, and those charged with governance whether:
 - they were aware of any instances of non-compliance with laws and regulations;
 - they had knowledge of any actual, suspected, or alleged fraud;
- discussed with the engagement team, including significant component audit teams and the relevant external specialists, including property valuation and pensions specialists, regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, I considered the opportunities and incentives that may exist within the Travers Foundation for fraud and identified the greatest potential for fraud in the following areas: revenue recognition, posting of unusual journals, complex transactions, and bias in management estimates. In common with all audits under ISAs (UK), I am also required to perform specific procedures to respond to the risk of management override of controls.

I obtained an understanding of the Travers Foundation's framework of authority and other legal and regulatory frameworks in which the Travers Foundation operates. I focused on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of the Travers Foundation. The key laws and regulations I considered in this context included the Armed Forces Act 1976, and Managing Public Money.

Audit response to identified risk

To respond to the identified risks resulting from the above procedures:

- I reviewed the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements;
- I enquired of management, the Audit Committee concerning actual and potential litigation and claims;
- I reviewed minutes of meetings of those charged with governance and the Board and internal audit reports;
- I addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements on estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business; and
- in addressing the risk of revenue recognition due to fraud, I assessed the recognition of income in line with the accounting framework.

I communicated relevant identified laws and regulations and potential risks of fraud to all engagement team members including auditor's experts and significant component audit teams and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

TRAVERS FOUNDATION

A further description of my 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 my certificate.

Other auditor's responsibilities

I am required to obtain sufficient appropriate audit evidence to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

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

Report

I have no observations to make on these financial statements.

Gareth Davies
Comptroller and Auditor General

10 June 2026

National Audit Office
157-197 Buckingham Palace Road
Victoria
London
SW1W 9SP

TRAVERS FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2025

	Note	2024-25 £	2023-24 £
Income from:			
Investment property		<u>33,200</u>	33,417
Expenditure on:			
Raising funds			
Property management		11,884	27,457
Other expenditure		8,500	7,000
Total expenditure		<u>20,384</u>	<u>34,457</u>
Gain/ (Loss) on revaluation of investment property	2	4,088,786	(60,672)
Net income/ (loss)		<u>4,101,602</u>	<u>(61,712)</u>
Total funds brought forward at 1 September 2024	8	10,513,833	10,575,545
Total funds carried forward at 31 August 2025		<u>14,615,435</u>	<u>10,513,833</u>

All activities are classed as continuing and all recognised gains and losses have been included in the accounts.

The notes on pages 74 to 77 form part of these accounts.

TRAVERS FOUNDATION

BALANCE SHEET AS AT 31 AUGUST 2025

	Note	2025 £	2024 £
Fixed assets			
Investment property	2	14,911,015	10,735,000
Current assets			
Debtors	3	50	50
		<hr/>	<hr/>
Current liabilities (amounts falling due within one year)	5	14,911,065 (295,630)	10,735,050 (221,217)
		<hr/>	<hr/>
Total assets less current liabilities		14,615,435	10,513,833
Funds			
Unrestricted funds	8	14,615,435	10,513,833

The financial statements were approved by the Finance Committee on 26 February 2026, and signed on its behalf by:

Deirdre Mills
Director of Greenwich Hospital

8 June 2026

The notes on pages 74 to 77 form part of these accounts.

**TRAVERS FOUNDATION
CASH FLOW
FOR THE YEAR ENDED 31 AUGUST 2025**

	2024-25	2023-24
Note	£	£
Cash flows from operating activities		
Net cash provided by operating activities	87,229	350,672
Cash flows from investing activities		
Payment to acquire or improve property	(87,229)	(350,672)
Net cash provided by/ (used in) investing activities	(87,229)	(350,672)
Change in cash or cash equivalents in the year		
Cash and cash equivalents at the beginning of the year	-	-
Cash and cash equivalents at the end of the year	4	-

Reconciliation of net income to net cash flow from operating activities

	2024-25	2023-24
Note	£	£
Net income/(loss) for the year per the Statement of Financial Activities	4,101,602	(61,712)
(Gain)/loss on revaluation of investment property	2 (4,088,786)	60,672
Decrease in debtors	3 -	137,905
Increase in creditors	5 74,413	213,807
Net cash flow from operating activities	87,229	350,672

All income and expenditure for Travers Foundation is via Greenwich Hospital. The Foundation does not own a bank account.

The notes on pages 74 to 77 form part of these accounts.

NOTES TO THE ACCOUNTS

1 Accounting policies

a) Basis of accounting

The Annual Accounts are prepared as required by legislation (Armed Forces Act 1976) and the Secretary of State directions thereunder.

The accounts have been prepared under the historical cost convention.

Due to the charitable nature of most of the activities of Greenwich Hospital and Travers Foundation, the accounts have been prepared to comply with the underlying principles of the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) (the Charities SORP). The Travers Foundation is treated as a public benefit entity.

The financial statements are presented in pounds sterling.

b) Going concern

The accounts have been prepared on a going concern basis as there are no material uncertainties about the Travers Foundation's ability to continue.

c) Recognition of incoming resources

Income is recognised in the period in which it is receivable. Income is recognised if it is deemed probable that it will be received, the Organisation is entitled to the income, and it can be reliably measured. Rental increases arising because of rent reviews and lease negotiations are not recognised until negotiations are completed. Travers Foundation does not operate a contingent rent arrangement with its tenants.

d) Outgoing resources

All expenditure is charged in the year to which it relates.

e) Investment properties

Investment properties and those in the course of construction are held at fair value. They are valued based on open market value. When Travers Foundation begins to redevelop an existing investment property for continued future use as an investment property, the property remains an investment property and is accounted for as such.

Investment properties are measured initially at cost, including related transaction costs. Additions to investment properties consist of costs of a capital nature. At the balance sheet date, investment properties are revalued to fair value. Any surplus or deficit arising on revaluing investment properties is recognised in the Statement of Financial Activities.

The valuations are carried out by independent valuers. Savills undertook the valuation for Travers Foundation. The valuations are carried out in accordance with the Royal Institute of Chartered Surveyors Global Standards in force at the time the valuation was instructed. This defines fair value as the estimated amount for which an asset or liability should exchange between a willing buyer and a willing seller in an arm's length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.

f) Payments

Travers Foundation's policy is that Greenwich Hospital pays its creditors for goods and services supplied by them in accordance with the terms negotiated with them.

g) Financial instruments

Financial instruments are initially recognised and subsequently measured at fair value.

h) Accounting estimates, judgements and assumptions

In preparing these accounts, management relies on various estimates, judgements and assumptions derived by the accounting team and experts consulted to provide suitable evidentiary statements. Significant items in this regard include the property valuations underlying the investment property assets and provisioning regards recoverability of debts receivable. In reaching these assumptions, management and its consultants rely on historic trends and market sector evidence.

Property market valuations have generally been made on the basis of existing tenancies with the addition of hope value where it is considered that land may be designated for mixed use development. All the individuals who undertook valuations have the relevant knowledge, skills, qualifications and understanding to competently value the estates and did so on a professional basis.

Provisions regarding the recoverability of debts receivable are made on a prudent basis taking into account the advice of professional estate managers and, where necessary, the advice of lawyers.

2 Investment property

Investment property comprises freehold land and buildings and is shown at market value as at 31 August 2025, as approved by the Director based upon valuations provided by Savills, subsequently adjusted to net realisable value to reflect the disposal of the freehold land at Bovills Hall after the year-end (Note 11). No sales or acquisitions were made during the year.

	2025	2024
	£	£
Market value at 1 September	10,735,000	10,445,000
Additions at cost	87,229	350,672
Unrealised gain/(loss) on revaluation	4,088,786	(60,672)
Market value at 31 August	<u>14,911,015</u>	<u>10,735,000</u>

3 Debtors

	2025	2024
	£	£
Prepayment	50	50
	<u>50</u>	<u>50</u>

4 Cash

The Travers Foundation's income and expenditure is all made via Greenwich Hospital bank accounts.

5 Creditors

Greenwich Hospital receives cash and makes payments on behalf of Travers Foundation. Amounts due to Greenwich Hospital are the balance of net cash paid and represents the cash owed to Greenwich Hospital by Travers Foundation. Travers Foundation does not have its own bank account.

	2025	2024
	£	£
Amounts falling due within one year		
Other creditors	6,000	2,318
Accruals	10,818	13,150
Due to Greenwich Hospital	278,812	205,749
	<u>295,630</u>	<u>221,217</u>

6 Audit fee

The audit fee for the year was £8,500 (2023-24: £7,000). No fees were paid to the auditors for non-audit work.

7 Operating leases as lessor

	2025	2024
	£	£
The value of investment assets held for use in operating leases	<u>14,911,015</u>	<u>10,735,000</u>

Minimum rent due under operating leases

	2025	2024
	£	£
Not later than one year	4,158	24,880
After one year but not more than five	-	1,909

The operating lease is in relation to properties at Bovills Hall Farm.

8 Statement of funds

	2025	2024
	£	£
Balance as at 1 September	10,513,833	10,575,545
Net incoming/ (outgoing) resources	<u>4,101,602</u>	<u>(61,712)</u>
Balance as at 31 August	<u>14,615,435</u>	<u>10,513,833</u>

9 Related party transactions

The Secretary of State for Defence is responsible for the governance of Greenwich Hospital on behalf of the Sovereign and as a representative of the Crown, acts in execution of the Greenwich Hospital Acts (1865 to 1996) for the exclusive benefit of Greenwich Hospital.

Greenwich Hospital is considered a related party to Travers Foundation. Under the Armed Forces Act 1976, all funds of Travers Foundation can be used for the benefit of Greenwich Hospital and are kept in Greenwich Hospital bank accounts.

At year-end an amount of £278,812 was payable to Greenwich Hospital (2023-24: £205,749).

No grants have been made by Travers Foundation to Greenwich Hospital in the current or prior year.

10 Financial instruments

	2025	2024
	£	£
Financial assets		
Other receivables	50	50
	<u>50</u>	<u>50</u>
Financial liabilities		
Trade and other payables	295,630	221,217
	<u>295,630</u>	<u>221,217</u>

Financial Reporting Standard 102 requires disclosure of the role which financial instruments have had during the year in creating or changing the risks an entity faces in undertaking its activities.

Interest rate risk

The Foundation's exposure to interest rate is not material due to the small proportion of financial assets held as cash on deposit and rent and other receivables (which reflect cash held by Greenwich Hospital).

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Foundation. The Foundation is exposed to credit risk in respect of its cash deposits with Greenwich Hospital and rent receivables.

The Foundation is under the same management as Greenwich Hospital and Greenwich Hospital has sufficient assets to provide cash to the Foundation in respect of its cash deposits in the event that became necessary.

At 31 August 2025, cash deposits were invested via Greenwich Hospital with banks of sound credit standing of at least Standard & Poor's A-2 rating.

Rent receivables consist of amounts due from tenants. Procedures are in place to check the financial standing of all new counterparties before commencement of tenancies. An active credit control policy is applied to the management of rent arrears.

11 Post balance sheet events

In accordance with the requirements of the Charities SORP, events after the end of the reporting period are considered up to the date on which the accounts are authorised for issue. This is interpreted as the date of the Audit Report of the Comptroller and Auditor General.

On 31 October 2025, Travers Foundation disposed of the freehold land at Bovills Hall, made up primarily of land that could be designated for mixed use development, for a total consideration of £14,780,000.

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