

Charity registration number: 1031326

Friends of the Yeatman Hospital

Annual Report and Financial Statements

for the Year Ended 31 March 2021

Friends of the Yeatman Hospital

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Friends of the Yeatman Hospital

Trustees' Report

The trustees present the annual report together with the financial statements of the charity for the year ended 31 March 2021.

Objectives and activities

Objects and aims

These are:

- to educate the public in the needs of patients; and to mobilise, foster and maintain the interest and support of the public and the authorities in the Yeatman Hospital;
- to supplement the service provided by the Hospital for the treatment, health, welfare and comfort of the in-patients, out-patients and former patients in need of medical support by the provision of amenities, facilities, buildings, equipment and finance, which may be required for the care of such patients or for the efficient running of the Hospital; and
- to support initiatives aimed at improving the health of the local community including health education.

These objects reflect the purposes for which the Charity was originally set up. We review the activities that set out to achieve them each year. This review looks at what we have achieved and the outcome of our work in the previous twelve months, and in particular the benefits it has brought to those groups of people we endeavour to help. It also helps us to ensure that our activities remain focused on our purposes. We are conscious of the changing role of the Yeatman Hospital in the light of government policy and of the Dorset Clinical Commissioning Group's review of the future structure of Dorset NHS services, and we shall continue to monitor this and other external factors closely.

As well as making the period of stay for individual patients more comfortable, we also contribute to the delivery of a range of larger projects to improve the Hospital's facilities and equipment, and we assist its support services within the local community. In particular, we helped to provide items of personal protective equipment for the Hospital's staff, we contributed to the service provided by both Yeovil Freewheelers (the "blood bikes" service) and Sherborne Community Kitchen which supported those confined to their homes in the early stages of the pandemic, and we contributed as far as was possible, while complying with enhanced infection control measures, to the provision of entertainment and the maintenance of the Hospital's gardens, both of which are much appreciated by the patients. A significant broadening of our activities has been to support work in local schools to deal with increasing mental health issues among children, significantly exacerbated by the pandemic, which we have done by supporting the work of The Rendezvous, a local charity with experience in this area. We anticipate that this need will continue for some time. We are also providing additional equipment to the community nursing service operating from the Hospital, making this both more efficient and less dependent on the assistance of the paramedic ambulance service.

We thus pursue a range of activities for the immediate and long-term benefit of the Yeatman Hospital and for the care services it provides to the community. The support that we offer to these services reflects this widening role of the Hospital and complies with the purposes and objects of the Charity.

We review our activities every quarter in order to assess their success and to plan for the future. This process is undertaken in parallel with our coordination work with the local NHS authorities through the work of our strategic planning sub-committee that ensures objective coherence and longer-term financial planning.

Friends of the Yeatman Hospital

Trustees' Report

We have contributed to the consultation process in relation to future developments within the Dorset Healthcare Trust's area, and hope that such representations have contributed to the expected positive outcome for the Yeatman's longer-term future. We have taken particular interest in arguing successfully for the reopening of the Minor Injuries Unit, which was closed early in the pandemic, and have asked questions and made submissions relating to proposals for increased housing development in Sherborne, and the pressure that this will place both on the Hospital and on GP services. We have also engaged with Yeovil District Hospital in trying to ensure the continuation of outpatient clinics at the Yeatman. Responses indicate that our contributions to these debates have been heard and are valued.

The Yeatman is a highly valued asset to the community comprising both the town of Sherborne and the surrounding villages. As is the case for many NHS institutions, the Hospital operates under significant operational and financial pressure. Under the professional guidance of the Matron and her highly respected staff we have responded to a number of additional requests, thus enabling our Charity to respond to the needs of the Hospital and its patients as outlined above.

We are a relatively small charity, but those who serve as its trustees are energetic in pursuing its objects. We firmly believe that we continue to be successful in our support of the Yeatman Hospital, which is made possible only by the generous donations of our supporters both in the local community and from wider afield.

Public benefit

We refer to the Charity Commission's general guidance on public benefit when reviewing and planning our activities.

The Trustees confirm that they have complied with the requirements of Section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission.

Friends of the Yeatman Hospital

Trustees' Report

Financial review

The bedrock of our income is the support we receive each year from our members' annual subscriptions and local support for our fund-raising events, which is why we continue to enhance our communication strategy to support our existing and potential membership. We continue to benefit from substantial legacies and donations from individuals who are not members, as well as from those who are, and from institutions. Such additional income has given us a buoyant outlook in both short and long term and provided us with the confidence to take a longer perspective when planning expenditure and how we invest our funds to meet future needs. To this end we have instituted a corporate membership scheme, although the coronavirus pandemic has temporarily handicapped its development.

We emphasise that all our Charity's income is self-generated; we neither seek nor receive grant funding from any external public or private bodies.

During the 2021 financial year, we received £47,232 (2020 - £59,988) from members' subscriptions and donations and generated £480 (2020 - £5,464) from fund-raising events. The charity also received legacies of £24,818 (2020 - £666,573).

The principal uses of our funds were to provide support to the Yeatman Hospital and its community activities to the extent of £24,546 (2020 - £14,051) and to finance other activities costing £7,467 (2020 - £18,744) of more immediate and direct benefit to patients and the wider community.

The Charity built up a surplus of £33,420 (2020 - £667,030). In the previous year the Charity had received or expected to receive an unusually large income from legacies.

At 31 March 2021 the value of investments increased to £229,603 (2020 - £211,048). There was a temporary market fall at the beginning of the pandemic but the market has since recovered.

Policy on reserves

Our policy is to keep unrestricted funds at no less than £500,000 for the following two to three years. We consider that this policy reflects both caution and the uncertainty in the context of the Yeatman Hospital's needs, while enabling us to maintain our current level of ambition in the scope and scale of our support to the Yeatman.

At 31 March 2021 the Charity retained unrestricted reserves of £1,600,799 (2020 - £1,567,786) and restricted funds of £14,558 (2020 - £14,151).

Investment policy and objectives

The Trustees seek to create sufficient income to enable the Charity to carry out its stated purposes consistently year by year and with due and proper consideration of future needs.

The Charity may invest any or all of its funds in cash provided that the bank or building society holding the cash deposit is an authorised institution under Section 67 of the Banking Act 1987.

The Charity will not own land or property for investment purposes.

The Charity will not invest in company securities unless these are listed on a recognised stock exchange nor in unit trusts or common investment funds unless authorised or recognised under the Financial Services Act 1986.

Friends of the Yeatman Hospital

Trustees' Report

Plans for future periods

Aims and key objectives for future periods

In the immediate future the Charity intends to continue to support both the Yeatman Hospital directly and the wellbeing of its patients, who are defined in the broadest terms permitted by the Charity's objects, independently.

Support to the Hospital includes the purchase and replacement of some items of equipment that are beneficial to the Hospital and its patients but are not supplied by the NHS, and commissioning and financing of improvements to the Hospital's building and facilities which are similarly not a priority for public funding within a limited budget. Implementation of these improvements is currently restricted by the workforce resources available to the Dorset HealthCare University NHS Foundation Trust, but plans under consideration include continuing refurbishment of wards and outpatient consulting rooms, partially equipping a stroke rehabilitation unit, reallocation of space to improve efficiency and improvements to mental health services.

The Covid-19 pandemic continued to restrict the Charity's direct contribution to the well-being of inpatients, and the wider application of resources that this has occasioned will continue in the immediate future as it has been both successful and gratefully received by beneficiaries.

Structure, governance and management

Nature of governing document

The Charity is an unincorporated association. Its governing document is a constitution based on the Charity Commission's Model Constitution (form GD3 November 2013 new format January 2017) and is a Charity registered in England and Wales, number 1031326.

Recruitment and appointment of trustees

Under clauses 17 and 18 of the constitution, the Officers (Chair, Hon Secretary, Hon Treasurer) retire at each annual general meeting but are eligible for re-election. The other trustees are elected for three years and are eligible for re-election for a further three years before having to stand down for one year. The nominated representatives serve as appointed by their organisations and are advisors but not trustees.

Induction and training of trustees

Potential new Trustees attend board meetings as an observer to familiarise themselves with the business and to test their suitability and enthusiasm for the work involved. If appointed, the new Trustee is partnered with an existing Board member and attends suitable training courses.

Arrangements for setting key management personnel remuneration

The trustees consider that they constitute the key management personnel of the Charity in charge of directing and controlling the Charity and running and operating the Charity from day to day. All trustees give their time freely and no trustee remuneration was paid in the year. Trustees are entitled to be reimbursed for expenses incurred in carrying out their duties, and these expenses and transactions with related parties (if any) are disclosed in the accounts. Trustees may also be reimbursed for purchases made on the Charity's behalf.

The Charity has one part-time employee, and arrangements for paying salary, PAYE, National Insurance and pension contributions comply with the relevant legislation.

Friends of the Yeatman Hospital

Trustees' Report

Major risks and management of those risks

The Trustees regularly review the major risks to which the Charity is exposed and the systems in place to mitigate those risks. The Trustees continue to formalise and strengthen their routine risk review process and have established a formal risk register.

Conflicts of interest

Trustees are required to disclose all relevant interests, register them in accordance with the Charity's policy and withdraw from decisions where a conflict of interest arises.

Data protection

The trustees have published a privacy policy which addresses the requirements imposed by the Data Protection Act 2018.

Complaints

The trustees have implemented a complaints handling policy.

Safeguarding and volunteer management

The trustees have implemented procedures to ensure, as far as possible, the safeguarding of those who volunteer to serve the Charity. Procedures to safeguard vulnerable individuals who may come into contact with the Charity's volunteers are carried out by Dorset HealthCare University NHS Foundation Trust, of which the Yeatman Hospital is a functional unit.

Friends of the Yeatman Hospital

Trustees' Report

Reference and Administrative Details

Trustees

Mr M Hatch, President
Mr D G Hayes CBE, Chairman
Ms J Warbuton, Vice-chairman
Mrs E Turnbull, Honorary Secretary
Mr P Neal
Mr M Sandy
Mrs C Harvey (resigned 16 November 2020)
Mr J Thompson, Treasurer
Prof A E Meehan
Mrs F Hartley (appointed 16 November 2020)
Miss R J Tillin (appointed 16 November 2020)
Mr M Parkinson (appointed 22 September 2021)
Mr R Marsh (appointed 22 September 2021)
Ms A Whitlock (appointed 22 September 2021)

Advisers

Mrs A Hiscock, Ms Helen Hunt, Mrs Barbara Ludlow, Mrs Alison Low, Matrons of the Yeatman Hospital
Dr R Childs, Chairman of the Sherborne Medical Forum
Mrs E J Carling, representative of Sherborne Town Council
Mrs H Lawes, Dorset Healthcare University NHS Foundation Trust Locality Manager
Mr R Marsh, representative of the Sherborne General Practices' Patient Participation Group
Mrs Linsley Withers, Administrator of the Charity

Principal Office

Friends of the Yeatman Hospital
Yeatman Hospital
Hospital Lane
Sherborne
Dorset
DT9 3JU

Website

www.friendsoftheyeatman.org.uk

Charity Registration Number

1031326

Friends of the Yeatman Hospital

Trustees' Report

Bankers

HSBC Bank plc
1 Middle Street
Yeovil
Somerset
BA20 1LR

Independent Examiner

[Auditor details](#)

Chartered accountant
Motivo House
Alvington
Yeovil
Somerset
BA20 2FG

Following the outbreak of COVID-19 in late March 2020 and the increasing economic impact of the worldwide pandemic, the trustees have scrutinised and reviewed budgets and forecasts to assess the effect on the charity.

The charity was not significantly dependent on sources of income, such as fundraising, which were affected by the measures introduced by the Government in response to the pandemic. With the resources available to the Charity at 31 March 2021 the trustees are of the opinion that the Charity can continue with its normal levels of activity in the coming year and that the pandemic has made no impact on the Charity's ability to act as a going concern.

The annual report was approved by the trustees of the charity on 24 February 2022 and signed on its behalf by:

.....
Mr D G Hayes CBE
Trustee

.....
Mr J Thompson
Trustee

Friends of the Yeatman Hospital

Statement of Trustees' Responsibilities

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

The law applicable to charities requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the constitution. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

Approved by the trustees of the charity on 24 February 2022 and signed on its behalf by:

.....
Mr D G Hayes CBE
Trustee

.....
Mr J Thompson
Trustee

Friends of the Yeatman Hospital

Independent Examiner's Report to the trustees of Friends of the Yeatman Hospital

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 March 2021 which are set out on pages 10 to 27.

Respective responsibilities of trustees and examiner

As the charity's trustees of Friends of the Yeatman Hospital you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

Having satisfied myself that the accounts of the Charity are not required to be audited and are eligible for independent examination, I report in respect of my examination of the Friends of the Yeatman Hospital's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

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

1. accounting records were not kept in respect of Friends of the Yeatman Hospital as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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

.....
G J Freeman ACA
Chartered accountant

Motivo House
Alvington
Yeovil
Somerset
BA20 2FG

25 February 2022

Friends of the Yeatman Hospital

Statement of Financial Activities for the Year Ended 31 March 2021

	Note	Unrestricted £	Restricted £	Total 2021 £	Total 2020 £
Income and Endowments from:					
Donations and legacies	2	71,776	3,013	74,789	733,383
Other trading activities	3	1,029	-	1,029	5,464
Investment income	4	10,907	-	10,907	5,108
Total income		<u>83,712</u>	<u>3,013</u>	<u>86,725</u>	<u>743,955</u>
Expenditure on:					
Raising funds	5	(7,068)	-	(7,068)	(4,740)
Charitable activities	6	<u>(62,186)</u>	<u>(2,606)</u>	<u>(64,792)</u>	<u>(65,103)</u>
Total expenditure		<u>(69,254)</u>	<u>(2,606)</u>	<u>(71,860)</u>	<u>(69,843)</u>
Gains/losses on investment assets		<u>18,555</u>	<u>-</u>	<u>18,555</u>	<u>(7,082)</u>
Net movement in funds		33,013	407	33,420	667,030
Reconciliation of funds					
Total funds brought forward		<u>1,567,786</u>	<u>14,151</u>	<u>1,581,937</u>	<u>914,907</u>
Total funds carried forward	17	<u><u>1,600,799</u></u>	<u><u>14,558</u></u>	<u><u>1,615,357</u></u>	<u><u>1,581,937</u></u>

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2020 is shown in note 17.

Friends of the Yeatman Hospital
(Registration number: 1031326)
Balance Sheet as at 31 March 2021

	Note	2021 £	2020 £
Fixed assets			
Investments	12	229,603	211,048
Current assets			
Stocks	13	151	-
Debtors	14	71,885	583,688
Cash at bank and in hand		<u>1,330,834</u>	<u>791,056</u>
		1,402,870	1,374,744
Creditors: Amounts falling due within one year	15	<u>(17,116)</u>	<u>(3,855)</u>
Net current assets		<u>1,385,754</u>	<u>1,370,889</u>
Net assets		<u><u>1,615,357</u></u>	<u><u>1,581,937</u></u>
Funds of the charity:			
Restricted income funds			
Restricted funds		14,558	14,151
Unrestricted income funds			
Unrestricted funds		<u>1,600,799</u>	<u>1,567,786</u>
Total funds	17	<u><u>1,615,357</u></u>	<u><u>1,581,937</u></u>

The financial statements on pages 10 to 27 were approved by the trustees, and authorised for issue on 24 February 2022 and signed on their behalf by:

.....
Mr D G Hayes CBE
Trustee

.....
Mr J Thompson
Trustee

Friends of the Yeatman Hospital

Cash Flow Statement for the Year Ended 31 March 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash income		33,420	667,030
Adjustments to cash flows from non-cash items			
Investment income	4	(10,907)	(5,108)
FA investment - UK listed other shares revaluation		<u>(18,555)</u>	<u>7,082</u>
		3,958	669,004
Working capital adjustments			
Increase in stocks	13	(151)	-
Decrease/(increase) in debtors	14	511,803	(579,533)
Increase in creditors	15	<u>13,261</u>	<u>879</u>
Net cash flows from operating activities		528,871	90,350
Cash flows from investing activities			
Interest receivable and similar income	4	<u>10,907</u>	<u>5,108</u>
Net increase in cash and cash equivalents		539,778	95,458
Cash and cash equivalents at 1 April		<u>791,056</u>	<u>695,598</u>
Cash and cash equivalents at 31 March	19	<u><u>1,330,834</u></u>	<u><u>791,056</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

Friends of the Yeatman Hospital

Notes to the Financial Statements for the Year Ended 31 March 2021

1 Accounting policies

Statement of compliance

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

Basis of preparation

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

Friends of the Yeatman Hospital meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern

The Trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the Charity.

In light of the continued spread of the Coronavirus "COVID-19" during 2020 and into 2021, the trustees have reviewed and stress tested projections and budgets for the next twelve months. Following this review, the trustees consider there to be little impact on the Charity's ability to act as a going concern.

The trustees have reviewed the key income streams and the capital resources available and consider that the charity has adequate resources in place to continue in existence for the next twelve months.

Income and endowments

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

Friends of the Yeatman Hospital

Notes to the Financial Statements for the Year Ended 31 March 2021

Donations and legacies

Donations are recognised when the Charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the Charity before the Charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Charity and it is probable that these conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the grant of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the Charity.

Investment income

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

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, when it is probable settlement is required and the amount can be measured reliably. All expenditure is accounted for on an accruals basis. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable activities

Charitable expenditure comprises those costs incurred by the Charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Grant expenditure

Grants payable are payments made to third parties in the furtherance of the charitable objects of the Charity. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. Grant awards are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled conditions attaching to the grant are outside the control of the Charity.

Friends of the Yeatman Hospital

Notes to the Financial Statements for the Year Ended 31 March 2021

Grant provisions

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

Support costs

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

Governance costs

These include the costs attributable to the Charity's compliance with constitutional and statutory requirements, including audit, strategic management and Trustee's meetings and reimbursed expenses. These costs are included under costs of charitable activities.

Irrecoverable VAT

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets costing £500.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class

Office equipment

Depreciation method and rate

25% reducing balance

Friends of the Yeatman Hospital

Notes to the Financial Statements for the Year Ended 31 March 2021

Fixed asset investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Charity does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the Charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between the sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

Stock

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out (FIFO).

Fund structure

Unrestricted income funds are general funds that are available for use at the Trustee's discretion in furtherance of the objectives of the Charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose. There are five restricted funds - one for the Jean King Suite (which is contained within the Willows complex), one for Ophthalmology, one for Mental Health, one for the Rowan Ward and one for Gardens and Flowers.

Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Friends of the Yeatman Hospital

Notes to the Financial Statements for the Year Ended 31 March 2021

Financial instruments

Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through statement of financial activities, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

2 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total 2021 £	Total 2020 £
Donations and legacies;				
Appeals and donations	22,012	3,013	25,025	31,337
Subscriptions	22,207	-	22,207	28,651
Legacies	24,818	-	24,818	666,573
Gift aid reclaimed	2,739	-	2,739	6,822
	<u>71,776</u>	<u>3,013</u>	<u>74,789</u>	<u>733,383</u>

£71,776 (2020 - £732,924) of the income above was attributable to unrestricted funds and £3,013 (2020 - £459) attributable to restricted funds.

Friends of the Yeatman Hospital

Notes to the Financial Statements for the Year Ended 31 March 2021

3 Income from other trading activities

	Unrestricted funds General £	Total 2021 £	Total 2020 £
Local fundraising and street collection income	480	480	4,741
Other income	549	549	723
	<u>1,029</u>	<u>1,029</u>	<u>5,464</u>

All of the above income above was attributable to unrestricted funds in 2021 and 2020.

4 Investment income

	Unrestricted funds General £	Total 2021 £	Total 2020 £
Interest receivable and similar income; Interest receivable on bank deposits	<u>10,907</u>	<u>10,907</u>	<u>5,108</u>

5 Expenditure on raising funds

a) Costs of generating donations and legacies

	Unrestricted funds General £	Total 2021 £	Total 2020 £
Note			
Fundraising expenses	20	20	650
Marketing and publicity	5,055	5,055	3,799
	<u>5,075</u>	<u>5,075</u>	<u>4,449</u>

Friends of the Yeatman Hospital

Notes to the Financial Statements for the Year Ended 31 March 2021

b) Investment management costs

	Note	Unrestricted funds General £	Total 2021 £	Total 2020 £
Other investment management costs;				
Other portfolio management costs		1,993	1,993	291
		<u>1,993</u>	<u>1,993</u>	<u>291</u>

All of the above income was attributable to unrestricted funds in 2021 and 2020.

Friends of the Yeatman Hospital

Notes to the Financial Statements for the Year Ended 31 March 2021

6 Expenditure on charitable activities

	Unrestricted funds General £	Restricted funds £	Total 2021 £	Total 2020 £
Dorset HealthCare University				
NHS Foundation Trust	24,546	-	24,546	14,051
The Rendezvous	-	2,500	2,500	7,500
Sherborne Community Kitchen	500	-	500	500
Patient benefits	7,361	106	7,467	18,744
Governance costs	2,861	-	2,861	3,338
Support costs	25,918	-	25,918	21,261
Yeovil Freewheelers	1,000	-	1,000	-
	62,186	2,606	64,792	65,394

£62,186 (2020 - £49,417) of the income above was attributable to unrestricted funds and £2,606 (2020 - £15,977) attributable to restricted funds.

7 Analysis of governance and support costs

Charitable activities expenditure

		Unrestricted funds General £	Total 2021 £	Total 2020 £
	Basis of allocation			
Wages and salaries	As per activity	21,810	21,810	20,467
Employers pension	As per activity	473	473	416
Other fees paid to accountant	As per activity	1,793	1,793	378
Other support costs	As per activity	1,842	1,842	-
		25,918	25,918	21,261

Friends of the Yeatman Hospital

Notes to the Financial Statements for the Year Ended 31 March 2021

Governance costs

	Unrestricted		
	General	Total	Total
	£	2021	2020
		£	£
Independent Examiner's remuneration	2,627	2,627	2,454
Trustees remuneration and expenses	72	72	18
Cost of trustee meetings	162	162	-
	<u>2,861</u>	<u>2,861</u>	<u>2,472</u>

8 Grant-making

Analysis of grants

	Grants to institutions	
	2021	2020
	£	£
Analysis		
Medical Facilities	-	7,105
Medical Equipment	21,680	6,086
Sherborne Community Kitchen	500	500
Sundries	2,866	860
Mental health	2,500	7,500
Yeovil Freewheelers	1,000	-
	<u>28,546</u>	<u>22,051</u>

The support costs associated with grant-making are £Nil (31 March 2020 - £Nil).

Grants to institutions in the year totalled £28,546 (2020: £22,051). £24,546 (2020: £14,051) went to support Dorset HealthCare University NHS Foundation Trust, £2,500 (2020: £7,500) went to support The Rendezvous, £500 (2020: £500) went to support Sherborne Community Kitchen and £1,000 (2020: £Nil) went to support Yeovil Freewheelers.

9 Net incoming/outgoing resources

Net incoming resources for the year include:

	2021	2020
	£	£
Independent Examiner's remuneration	2,627	2,454
Other fees paid to accountant	<u>1,793</u>	<u>378</u>

Friends of the Yeatman Hospital

Notes to the Financial Statements for the Year Ended 31 March 2021

10 Trustees remuneration and expenses

During the year the charity made the following transactions with trustees:

Expenses in the year totalling £72 (2020: £18) covering items such as photocopying, stationery, postage and travel costs were reimbursed to 1 (2020: 1) Trustee.

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any other benefits from the charity during the year.

11 Staff costs

The aggregate payroll costs were as follows:

	2021 £	2020 £
Staff costs during the year were:		
Wages and salaries	21,810	20,467
Employers pension	<u>473</u>	<u>416</u>
	<u>22,283</u>	<u>20,883</u>

The monthly average number of persons (including senior management team) employed by the charity during the year expressed as full time equivalents was as follows:

	2021 No	2020 No
Average number of persons employed	<u>1</u>	<u>1</u>

No employee received emoluments of more than £60,000 during the year

The total employee benefits of the key management personnel of the charity were £Nil (2020 - £Nil).

12 Fixed asset investments

	2021 £	2020 £
Other investments	<u>229,603</u>	<u>211,048</u>

Friends of the Yeatman Hospital

Notes to the Financial Statements for the Year Ended 31 March 2021

Other investments

	Listed investments £	Total £
Cost or Valuation		
At 1 April 2020	211,048	211,048
Revaluation	<u>18,555</u>	<u>18,555</u>
At 31 March 2021	<u>229,603</u>	<u>229,603</u>
Net book value		
At 31 March 2021	<u>229,603</u>	<u>229,603</u>
At 31 March 2020	<u>211,048</u>	<u>211,048</u>

All investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets, primarily the London Stock Exchange. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of the trade at cost (that is their transaction value).

The significance of financial instruments to the ongoing financial sustainability of the Charity is considered in the financial review and investment policy sections of the Trustees' Annual Report.

Liquidity risk is anticipated to be low as all assets are traded and the commitment to intervention by central banks and market regulators has continued to provide for orderly trading in markets and so the ability to buy and sell quoted equities and stock is anticipated to continue. The Charity's investments are mainly traded in markets with good liquidity and high trading volumes. The Charity has no material investment in markets subject to exchange controls or trading restrictions.

13 Stock

	2021
	£
Stocks	<u>151</u>

Friends of the Yeatman Hospital

Notes to the Financial Statements for the Year Ended 31 March 2021

14 Debtors

	2021 £	2020 £
Prepayments	675	656
Other debtors	71,210	583,032
	<u>71,885</u>	<u>583,688</u>

15 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	13,715	4
Other creditors	85	106
Accruals	3,316	3,745
	<u>17,116</u>	<u>3,855</u>

16 Commitments

Other financial commitments

As at 31 March 2021 the Trustees had a £13,715 (2020: £9,558) commitment to spending in respect of medical equipment.

The total amount of other financial commitments not provided in the financial statements was £Nil (2020 - £Nil).

Friends of the Yeatman Hospital

Notes to the Financial Statements for the Year Ended 31 March 2021

17 Funds

	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 31 March 2021 £
Unrestricted funds					
<i>General</i>					
Unrestricted income fund	1,567,786	83,712	(69,254)	18,555	1,600,799
Restricted funds					
Willows Ward	-	1,469	-	-	1,469
Ophthalmology	25	-	-	-	25
Mental Health	12,880	-	(2,500)	-	10,380
Rowan Ward	881	-	-	-	881
Gardens & Flowers	365	-	(106)	-	259
Dementia	-	1,544	-	-	1,544
Total restricted funds	<u>14,151</u>	<u>3,013</u>	<u>(2,606)</u>	<u>-</u>	<u>14,558</u>
Total funds	<u><u>1,581,937</u></u>	<u><u>86,725</u></u>	<u><u>(71,860)</u></u>	<u><u>18,555</u></u>	<u><u>1,615,357</u></u>

Friends of the Yeatman Hospital

Notes to the Financial Statements for the Year Ended 31 March 2021

	Balance at 1 April 2019 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 March 2020 £
Unrestricted funds						
General						
Unrestricted income fund	892,898	743,496	(53,866)	(7,660)	(7,082)	1,567,786
Restricted						
Jean King Suite	181	-	(7,841)	7,660	-	-
Ophthalmology	25	-	-	-	-	25
Mental Health	20,380	-	(7,500)	-	-	12,880
Rowan Ward	422	459	-	-	-	881
Gardens & Flowers	1,001	-	(636)	-	-	365
Total restricted funds	<u>22,009</u>	<u>459</u>	<u>(15,977)</u>	<u>7,660</u>	<u>-</u>	<u>14,151</u>
Total funds	<u>914,907</u>	<u>743,955</u>	<u>(69,843)</u>	<u>-</u>	<u>(7,082)</u>	<u>1,581,937</u>

The specific purposes for which the funds are to be applied are as follows:

The unrestricted funds are available to be spent for any of the purposes of the Charity.

The restricted funds are to be spent on the Willows Ward (restricted fund 1), the Jean King Suite (restricted fund 2), Ophthalmology (restricted fund 3), Mental Health (restricted fund 4), Rowan Ward (restricted fund 5), Gardens and Flowers (restricted fund 6) and Dementia (restricted fund 7).

Friends of the Yeatman Hospital

Notes to the Financial Statements for the Year Ended 31 March 2021

18 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds at 31 March 2021 £
Fixed asset investments	229,603	-	229,603
Current assets	1,387,762	14,558	1,402,320
Current liabilities	(17,116)	(5,624)	(22,740)
Total net assets	<u>1,600,249</u>	<u>8,934</u>	<u>1,609,183</u>
	Unrestricted funds General £	Restricted funds £	Total funds at 31 March 2020 £
Fixed asset investments	211,048	-	211,048
Current assets	1,325,593	14,151	1,339,744
Current liabilities	(3,855)	-	(3,855)
Total net assets	<u>1,532,786</u>	<u>14,151</u>	<u>1,546,937</u>

19 Analysis of net funds

	At 1 April 2020 £	Financing cash flows £	At 31 March 2021 £
Cash at bank and in hand	791,056	539,379	1,330,435
Net debt	<u>791,056</u>	<u>539,379</u>	<u>1,330,435</u>
	At 1 April 2019 £	Financing cash flows £	At 31 March 2020 £
Cash at bank and in hand	695,598	95,458	791,056
Net debt	<u>695,598</u>	<u>95,458</u>	<u>791,056</u>