

Charity registration number: 1031326

Friends of the Yeatman Hospital

Annual Report and Financial Statements

for the Year Ended 31 March 2022

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 2022.

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 or lead the delivery of projects to improve the Hospital's facilities and equipment, and we assist its support services within the local community. Progress on larger projects has been limited by the availability of the human resources necessary to carry them out, as these have to come either from those already existing within the health authority or from subcontractors, who are currently thin in the ground. We have, however, been able to contribute to the replacement and enhancement of hospital equipment, and we have established a process by which the Yeatman's own staff can approach us with requests to provide items where the need may not be immediately obvious either to us or to those who are in authority, but not directly engaged with the work "on the shop floor".

We have expanded our activities in support of work to deal with increasing mental health issues among local children. The recent coronavirus pandemic has exposed problems on a wide scale, and we now not only support the work of The Rendezvous, a local charity with experience in this area, but also engage directly with the schools, where we are funding the provision of equipment, courses for students, and training for staff.

We continue to stand ready to support the community nursing service operating from the Hospital.

We thus pursue a range of activities for the immediate and long-term benefit of the Yeatman Hospital and for the care services that both it and other agencies provide to the community. The support that we offer reflects the widening role of the Hospital, but also recognises that the health of local residents depends on broader factors than the provision of immediate medical services. We believe that these activities comply with the purposes and objects of the Charity.

Friends of the Yeatman Hospital

Trustees' Report

The trustees and advisers meet every quarter to review our activities, to assess their success and to plan for the future. Sub-committees for strategic planning, governance, and marketing and publicity also meet quarterly and report to the trustees. These all take place in parallel with our coordination work with the local NHS authorities, with the aim of ensuring coherence and long-term planning.

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 continue to take particular interest in the Minor Injuries Unit, which was closed early in the coronavirus pandemic to relieve staffing issues, and has re-opened in a more limited way than before, in accordance with national policy on the use of the NHS 111 service. We remain interested in the proposals for increased housing development in Sherborne, and the pressure that this will place on both the Hospital and GP services. We have also engaged with Yeovil District Hospital in trying to ensure the continuation of outpatient clinics at the Yeatman, and have contributed financially to the establishment of the new YDH breast cancer unit, which will serve patients from Sherborne.

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 whenever possible to their requests, thus enabling our Charity to fulfil the needs of the Hospital and its patients.

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. This is made possible only by the donations of our supporters both in the local community and from wider afield, and we never fail to marvel at their generosity.

Public benefit

We refer to the Charity Commission's general guidance on public benefit when reviewing and planning our activities. In particular, the trustees consider how those activities will achieve the aims and objectives they have set. The focus of our activities remains the support of both inpatients and day patients at the Yeatman Hospital so as to benefit patients' well-being whilst in the care of the Hospital, but we are also responsive to needs outside the Hospital's walls.

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 local businesses. 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 handicapped its development.

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

During the 2021/22 financial year, we received £20,173 (2021 - £22,207) from members' subscriptions, £13,440 (2021 - £25,025) from public donations, and generated £1,229 (2021 - £480) from fund-raising activity. The charity also received legacies of £349,448 (2021 - £24,818).

The principal uses of our funds were to provide support to the Yeatman Hospital and its community activities to the extent of £11,484 (2021 - £24,546) and to finance other activities costing £41,581 (2021 - £11,467) of more immediate and direct benefit to patients and the wider community.

The Charity built up a surplus of £300,559 (2021 - £33,420).

The value of investments at year end fell slightly to £227,762 (2021 - £229,603).

Policy on reserves

We rely on annual income from members' subscriptions, donations from the public, and fund-raising events and activities to support our running costs, and to provide immediate benefits to the Yeatman Hospital's patients. We also use this income to improve existing medical facilities and renew medical equipment as the need arises and resources allow. Since income from legacies occurs at irregular and unpredictable intervals, and can sometimes be very large in scale, the trustees do not consider it appropriate to use it for immediate or short-term purposes, but conserve and invest it until it is possible to spend it on enduring capital projects of lasting value to the Hospital and the community it serves. This, therefore, forms the major part of our reserves.

At 31 March 2022 the Charity retained unrestricted reserves of £1,900,998 (2021 - £1,600,799) and restricted funds of £14,918 (2021 - £14,558).

Friends of the Yeatman Hospital

Trustees' Report

Investment policy and objectives

The Charity may invest any or all of its funds in cash. It will not invest in unlisted company securities, own land or property solely for investment, or acquire complex financial instruments.

Cash deposits will be normally placed only with institutions covered by the FSCS compensation scheme, and will be placed so as to obtain the best available interest rate over a term or notice period of not more than one year, unless the trustees are confident that the funds will not be required for a longer term and that the higher interest rate obtained thereby is sufficient to justify the longer term or notice period.

Short-term investments will be placed so as to minimise risk and volatility and must have sufficient liquidity to meet unanticipated spending requirements. Long-term investments may be placed with increased risk and volatility in the interests of higher growth or returns. Professional advice will be taken in such circumstances.

The Charity will make investment decisions that show concern for maintaining its caring ethos, and therefore investments that support products and services incompatible with the Charity's objects will be avoided as far as possible. Direct investment in organisations whose principal operations are in areas such as alcohol, gambling, tobacco and military equipment will not be made.

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 advisers but not trustees.

Induction and training of trustees

Although members have the unfettered right to elect persons of their choice at the annual general meeting, the existing trustees normally propose potential new trustees after advertising vacancies, inviting applications, and interviewing candidates to assess their suitability and commitment. Candidates are usually invited to attend a trustees' meeting as an observer before committing themselves, and successful candidates are offered appropriate training and support.

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.

Friends of the Yeatman Hospital

Trustees' Report

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.

Other policies

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.

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.

Friends of the Yeatman Hospital

Trustees' Report

Trustees and officers

The trustees and officers serving during the year and since the year end were as follows:

President	Mr M Hatch
Trustees	Mr D G Hayes CBE, Chair (resigned 14 September 2022) Ms J Warburton, Vice-chair Mrs F Hartley, Chair (appointed 14 September 2022) Mr J Thompson, Honorary Treasurer Mrs E Turnbull (resigned 14 September 2022) Mr P Neal (resigned 14 September 2022) Mr M Sandy (resigned 22 September 2021) Prof A E Meehan (resigned 7 June 2022) Miss R J Tillin (resigned 22 September 2021) Ms A Whitlock (appointed 22 September 2021) Mr M Parkinson (appointed 22 September 2021) Mr R Marsh (appointed 22 September 2021) Ms C Whybrew (appointed 7 June 2022) Ms B Wingfield Digby (appointed 7 June 2022) Mr J Stokoe (appointed 2 August 2022) Sir Christopher Coville (appointed 2 August 2022)
Appointed advisers	Mrs A Low, Matron of the Yeatman Hospital Dr R Childs, Chairman of the Sherborne Medical Forum Mrs E J Carling, representative of Sherborne Town Council
Other advisers	Mrs H Lawes, representative of the Dorset Healthcare University NHS Foundation Trust

Friends of the Yeatman Hospital

Trustees' Report

Reference and Administrative Details

Charity Registration Number: 1031326

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

Website www.friendsoftheyeatman.org.uk

Independent Examiner: Milsted Langdon
Chartered Accountants
Motivo House
Alvington
Yeovil
Somerset
BA20 2FG

Bankers: HSBC Bank plc
1 Middle Street
Yeovil
Somerset
BA20 1LR

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 2022 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 23 September 2022 and signed on its behalf by:

.....
Mrs F Hartley, Chair
Trustee

.....
Mr J Thompson, Honorary Treasurer
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 23 September 2022 and signed on its behalf by:

.....
Mr J Thompson, Honorary Treasurer
Trustee

Friends of the Yeatman Hospital

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

I report to the trustees on my examination of the accounts of Friends of the Yeatman Hospital for the year ended 31 March 2022.

Responsibilities and basis of report

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

Since Friends of the Yeatman Hospital's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, which is one of the listed bodies.

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.

Friends of the Yeatman Hospital

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

.....
G J Freeman ACA
Chartered Accountants

Motivo House
Alvington
Yeovil
Somerset
BA20 2FG

29 September 2022

Friends of the Yeatman Hospital

Statement of Financial Activities for the Year Ended 31 March 2022

	Note	Unrestricted £	Restricted £	Total 2022 £	Total 2021 £
Income and Endowments from:					
Donations and legacies	2	385,532	1,500	387,032	74,789
Other trading activities	3	1,229	-	1,229	1,029
Investment income	4	7,327	-	7,327	10,907
Total income		<u>394,088</u>	<u>1,500</u>	<u>395,588</u>	<u>86,725</u>
Expenditure on:					
Raising funds	5	(9,534)	-	(9,534)	(7,068)
Charitable activities	6	<u>(82,186)</u>	<u>(1,468)</u>	<u>(83,654)</u>	<u>(64,792)</u>
Total expenditure		<u>(91,720)</u>	<u>(1,468)</u>	<u>(93,188)</u>	<u>(71,860)</u>
Gains/losses on investment assets		<u>(1,841)</u>	<u>-</u>	<u>(1,841)</u>	<u>18,555</u>
Net income		300,527	32	300,559	33,420
Transfers between funds		<u>(328)</u>	<u>328</u>	<u>-</u>	<u>-</u>
Net movement in funds		300,199	360	300,559	33,420
Reconciliation of funds					
Total funds brought forward		<u>1,600,799</u>	<u>14,558</u>	<u>1,615,357</u>	<u>1,581,937</u>
Total funds carried forward	17	<u><u>1,900,998</u></u>	<u><u>14,918</u></u>	<u><u>1,915,916</u></u>	<u><u>1,615,357</u></u>

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

The funds breakdown for 2021 is shown in note 17.

Friends of the Yeatman Hospital
(Registration number: 1031326)
Balance Sheet as at 31 March 2022

	Note	2022 £	2021 £
Fixed assets			
Investments	12	227,762	229,603
Current assets			
Stocks	13	-	151
Debtors	14	134,068	71,885
Cash at bank and in hand		<u>1,564,490</u>	<u>1,330,834</u>
		1,698,558	1,402,870
Creditors: Amounts falling due within one year	15	<u>(10,404)</u>	<u>(17,116)</u>
Net current assets		<u>1,688,154</u>	<u>1,385,754</u>
Net assets		<u>1,915,916</u>	<u>1,615,357</u>
Funds of the charity:			
Restricted income funds			
Restricted funds		14,918	14,558
Unrestricted income funds			
Unrestricted funds		<u>1,900,998</u>	<u>1,600,799</u>
Total funds	17	<u>1,915,916</u>	<u>1,615,357</u>

The financial statements on pages 11 to 28 were approved by the trustees, and authorised for issue on 23 September 2022 and signed on their behalf by:

.....
Mrs F Hartley, Chair
Trustee

.....
Mr J Thompson, Honorary Treasurer
Trustee

Friends of the Yeatman Hospital

Cash Flow Statement for the Year Ended 31 March 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash income		300,559	33,420
Adjustments to cash flows from non-cash items			
Investment income	4	(7,327)	(10,907)
FA investment - UK listed other shares revaluation		<u>1,841</u>	<u>(18,555)</u>
		295,073	3,958
Working capital adjustments			
Decrease/(increase) in stocks	13	151	(151)
(Increase)/decrease in debtors	14	(62,183)	511,803
(Decrease)/increase in creditors	15	(6,962)	13,261
Increase in deferred income		<u>250</u>	<u>-</u>
Net cash flows from operating activities		226,329	528,871
Cash flows from investing activities			
Interest receivable and similar income	4	<u>7,327</u>	<u>10,907</u>
Net increase in cash and cash equivalents		233,656	539,778
Cash and cash equivalents at 1 April		<u>1,330,834</u>	<u>791,056</u>
Cash and cash equivalents at 31 March	19	<u><u>1,564,490</u></u>	<u><u>1,330,834</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 2022

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" pandemic, 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.

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.

Friends of the Yeatman Hospital

Notes to the Financial Statements for the Year Ended 31 March 2022

Deferred income

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

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.

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.

Friends of the Yeatman Hospital

Notes to the Financial Statements for the Year Ended 31 March 2022

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 2022

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 2022

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 2022 £	Total 2021 £
Donations and legacies;				
Appeals and donations	12,440	1,000	13,440	25,025
Subscriptions	20,173	-	20,173	22,207
Legacies	349,448	-	349,448	24,818
Gift aid reclaimed	3,471	500	3,971	2,739
	<u>385,532</u>	<u>1,500</u>	<u>387,032</u>	<u>74,789</u>

£385,532 (2021 - £71,776) of the income above was attributable to unrestricted funds and £1,500 (2021 - £3,013) attributable to restricted funds.

Friends of the Yeatman Hospital

Notes to the Financial Statements for the Year Ended 31 March 2022

3 Income from other trading activities

	Unrestricted funds General £	Total 2022 £	Total 2021 £
Local fundraising and street collection income	1,229	1,229	480
Other income	-	-	549
	<u>1,229</u>	<u>1,229</u>	<u>1,029</u>

All of the income above was attributable to unrestricted funds in 2022 and 2021.

4 Investment income

	Unrestricted funds General £	Total 2022 £	Total 2021 £
Interest receivable and similar income;			
Interest receivable on bank deposits	<u>7,327</u>	<u>7,327</u>	<u>10,907</u>

5 Expenditure on raising funds

a) Costs of generating donations and legacies

	Unrestricted funds General £	Total 2022 £	Total 2021 £
Fundraising expenses	652	652	20
Marketing and publicity	<u>6,566</u>	<u>6,566</u>	<u>5,055</u>
	<u>7,218</u>	<u>7,218</u>	<u>5,075</u>

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Notes to the Financial Statements for the Year Ended 31 March 2022

b) Investment management costs

	Unrestricted funds General £	Total 2022 £	Total 2021 £
Other investment management costs;			
Other portfolio management costs	2,316	2,316	1,993
	<u>2,316</u>	<u>2,316</u>	<u>1,993</u>

All of the expenditure above was attributable to unrestricted funds in 2022 and 2021.

6 Expenditure on charitable activities

	Unrestricted funds General £	Restricted funds £	Total 2022 £	Total 2021 £
Dorset HealthCare University				
NHS Foundation Trust	10,476	1,008	11,484	24,546
The Rendezvous	15,477	-	15,477	2,500
Sherborne Community Kitchen	-	-	-	500
Patient benefits	11,783	460	12,243	7,467
Governance costs	3,417	-	3,417	2,861
Support costs	27,172	-	27,172	25,918
Yeovil Freewheelers (Blood Bikes)	-	-	-	1,000
Yeovil District Hospital Breast Cancer Appeal	10,000	-	10,000	-
Sherborne Area Schools Trust	3,861	-	3,861	-
	<u>82,186</u>	<u>1,468</u>	<u>83,654</u>	<u>64,792</u>

£82,186 (2021 - £62,186) of the expenditure above was attributable to unrestricted funds and £1,468 (2021 - £2,606) attributable to restricted funds.

Friends of the Yeatman Hospital

Notes to the Financial Statements for the Year Ended 31 March 2022

7 Analysis of governance and support costs

Charitable activities expenditure

		Unrestricted funds	Total	Total
	Basis of allocation	General £	2022 £	2021 £
Wages and salaries	As per activity	23,149	23,149	21,810
Employers pension	As per activity	499	499	473
Other fees paid to accountant	As per activity	1,206	1,206	1,793
Other support costs	As per activity	2,318	2,318	1,842
		<u>27,172</u>	<u>27,172</u>	<u>25,918</u>

Governance costs

	Unrestricted	Total	Total
	General £	2022 £	2021 £
Independent Examiner's remuneration	2,640	2,640	2,627
Trustees remuneration and expenses	42	42	72
Cost of trustee meetings	735	735	162
	<u>3,417</u>	<u>3,417</u>	<u>2,861</u>

Friends of the Yeatman Hospital

Notes to the Financial Statements for the Year Ended 31 March 2022

8 Grant-making

Analysis of grants

	Grants to institutions	
	2022	2021
	£	£
Analysis		
Medical Facilities	3,296	-
Medical Equipment	(395)	21,680
Sundries	8,583	2,866
Sherborne Community Kitchen	-	500
Mental health	15,477	2,500
Yeovil Freewheelers	-	1,000
Yeovil Hospital Charity	10,000	-
Sherborne Area Schools Trust	3,861	-
	<u>40,822</u>	<u>28,546</u>

The support costs associated with grant-making are £Nil (31 March 2021 - £Nil).

Grants to institutions in the year totalled £40,822 (2021: £28,546). £11,484 (2021: £24,546) went to support Dorset HealthCare University NHS Foundation Trust, £15,477 (2021: £2,500) went to support The Rendezvous, £Nil (2021: £500) went to support Sherborne Community Kitchen, £Nil (2021: £1,000) went to support Yeovil Freewheelers, £10,000 (2021: £Nil) went to support Yeovil Hospital Charity and £3,861 (2021: £Nil) went to support Sherborne Area Schools Trust.

9 Net incoming/outgoing resources

Net incoming resources for the year include:

	2022	2021
	£	£
Independent Examiner's remuneration	2,640	2,627
Other fees paid to accountant	<u>1,206</u>	<u>1,793</u>

Friends of the Yeatman Hospital

Notes to the Financial Statements for the Year Ended 31 March 2022

10 Trustees remuneration and expenses

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

Trustee expenses in the year totalling £42 (2021: £72) covering office materials were reimbursed to 1 (2021: 1) Trustee.

In addition to this, charitable expenditure totalling £480 (2021: £Nil) was reimbursed to 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:

	2022 £	2021 £
Staff costs during the year were:		
Wages and salaries	23,149	21,810
Employers pension	499	473
	<u>23,648</u>	<u>22,283</u>

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

	2022 No	2021 No
Average number of persons employed	<u>1</u>	<u>1</u>

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

12 Fixed asset investments

	2022 £	2021 £
Other investments	<u>227,762</u>	<u>229,603</u>

Friends of the Yeatman Hospital

Notes to the Financial Statements for the Year Ended 31 March 2022

Other investments

	Listed investments £	Total £
Cost or Valuation		
At 1 April 2021	229,603	229,603
Revaluation	<u>(1,841)</u>	<u>(1,841)</u>
At 31 March 2022	<u>227,762</u>	<u>227,762</u>
Net book value		
At 31 March 2022	<u>227,762</u>	<u>227,762</u>
At 31 March 2021	<u>229,603</u>	<u>229,603</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

	2022 £	2021 £
Stocks	<u>-</u>	<u>151</u>

14 Debtors

	2022 £	2021 £
Prepayments	300	675
Other debtors	<u>133,768</u>	<u>71,210</u>
	<u>134,068</u>	<u>71,885</u>

Friends of the Yeatman Hospital

Notes to the Financial Statements for the Year Ended 31 March 2022

15 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	3,606	13,715
Other creditors	97	85
Accruals	6,451	3,316
Deferred income	250	-
	<u>10,404</u>	<u>17,116</u>

16 Commitments

Other financial commitments

As at 31 March 2022 the Trustees had a £Nil (2021: £13,715) commitment to spending in respect of medical equipment.

The total amount of other financial commitments not provided in the financial statements was £Nil (2021 - £Nil).

Friends of the Yeatman Hospital

Notes to the Financial Statements for the Year Ended 31 March 2022

17 Funds

	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 March 2022 £
Unrestricted funds						
<i>General</i>						
Unrestricted income fund	1,600,799	394,088	(91,720)	(328)	(1,841)	1,900,998
Restricted funds						
Willows Ward	1,469	250	-	-	-	1,719
Ophthalmology	25	-	-	-	-	25
Mental Health	10,380	1,250	-	-	-	11,630
Rowan Ward	881	-	(1,008)	127	-	-
Gardens & Flowers	259	-	(460)	201	-	-
Dementia	1,544	-	-	-	-	1,544
Total restricted funds	<u>14,558</u>	<u>1,500</u>	<u>(1,468)</u>	<u>328</u>	<u>-</u>	<u>14,918</u>
Total funds	<u><u>1,615,357</u></u>	<u><u>395,588</u></u>	<u><u>(93,188)</u></u>	<u><u>-</u></u>	<u><u>(1,841)</u></u>	<u><u>1,915,916</u></u>

Friends of the Yeatman Hospital

Notes to the Financial Statements for the Year Ended 31 March 2022

	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					
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>

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), Ophthalmology (restricted fund 2), Mental Health (restricted fund 3), Rowan Ward (restricted fund 4), Gardens and Flowers (restricted fund 5) and Dementia (restricted fund 6).

Friends of the Yeatman Hospital

Notes to the Financial Statements for the Year Ended 31 March 2022

18 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds at 31 March 2022 £
Fixed asset investments	227,762	-	227,762
Current assets	1,683,640	14,918	1,698,558
Current liabilities	(10,404)	-	(10,404)
Total net assets	<u>1,900,998</u>	<u>14,918</u>	<u>1,915,916</u>
	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>

19 Analysis of net funds

	At 1 April 2021 £	Financing cash flows £	At 31 March 2022 £
Cash at bank and in hand	1,330,834	233,656	1,564,490
Net debt	<u>1,330,834</u>	<u>233,656</u>	<u>1,564,490</u>
	At 1 April 2020 £	Financing cash flows £	At 31 March 2021 £
Cash at bank and in hand	791,056	539,778	1,330,834
Net debt	<u>791,056</u>	<u>539,778</u>	<u>1,330,834</u>