

COMPANY REGISTRATION NUMBER: 02557203
CHARITY REGISTRATION NUMBER: 1146357

**Seaton and District Hospital League of Friends
Company Limited by Guarantee
Financial Statements
30 September 2020**

Seaton and District Hospital League of Friends

Company Limited by Guarantee

Financial Statements

Year ended 30 September 2020

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Seaton and District Hospital League of Friends

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 30 September 2020

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 30 September 2020.

Reference and administrative details

Registered charity name	Seaton and District Hospital League of Friends
Charity registration number	1146357
Company registration number	02557203
Principal office and registered office	Seaton Community Hospital Valley View Seaton Devon EX12 2UU

The trustees

Dr Mark Welland - Chair
Shirley Robinson - Treasurer
Dr John Coop - Vice chair
Kirstine House
Mark Ollier
Rachel Mason (Passed away 21.12.2019)
Carol Rowe - Secretary
Sheila Heys

Auditor	Thomas Westcott Chartered Accountants Chartered accountants & statutory auditor Timberly South Street Axminster Devon England EX13 5AD
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Bankers	Lloyds Trinity Square Axminster Devon EX13 5AL
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Seaton and District Hospital League of Friends

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 30 September 2020

Solicitors	Beviss & Beckingsale Law Chambers 1 Major Terrace Seaton EX12 2RF
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Structure, governance and management

Seaton & District Hospital League of Friends is a company limited by guarantee and it is governed by its Memorandum and Articles of Association dated 12th November 1990.

New trustees may be appointed by the members by ordinary resolution. They may also be appointed by the board of trustees, but if so the new trustees must retire at the next Annual General Meeting (AGM), although they will be eligible for re-appointment by the members at the AGM. At each AGM one third of the trustees other than those new trustees must retire (those who have been longest in office) and are subject to retirement by rotation, but are eligible for re-appointment by the members.

Each new Trustee receives the Charity Commission publication 'The Essential Trustee: What you need to know' as well as the most recent published annual report and a copy of the Memorandum and Articles of Association. Trustees also attend an induction day.

An internal conflict of interest register is in place which is based on submissions of declaration of interests completed by all Trustees. Trustee meeting policy is that, where Trustees have an interest in the matter under discussion, they will absent themselves from these discussions and decisions.

The Charity is governed by a board of trustees who meet to determine the strategic direction of the charity and a manager is employed to deal with the day to day running of the organisation. The board has met nine times during the year. The quorum for meetings of trustees is five trustees (at least 1 officer). Decisions are made by majority vote and in the event of a tied vote the Chair of the meeting has a second and deciding vote.

Objectives and activities

Objectives

The main objective of the charity is to relieve patients and former patients of the hospital and other invalids in the community who are sick, convalescent, disabled, handicapped, infirm or in need of financial assistance and generally to support the charitable work of the hospital.

Public Benefit

The Trustees continue to give due regard to the public benefit provided by the Charity in relation to its charitable purpose as set out by the objectives above and have given due consideration to the relevant guidance issued by the Charity Commission. The Trustees will continue to ensure that the activities that promote the charitable objects above will be applied to provide public benefit.

Seaton and District Hospital League of Friends

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 30 September 2020

Strategic report

The following sections for achievements and performance and financial review form the strategic report of the charity.

Seaton and District Hospital League of Friends

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 30 September 2020

Achievements and performance

The League has been seriously affected by the Covid-19 pandemic which started 5 months into our financial year.

Our total unrestricted income for the year was £170,483 but this did include a government grant to compensate for loss of income during the year.

A further £53,926 was received in respect of restricted funds bringing the total income to the League for the year of £224,409.

The League derives its income from four principal sources:

It maintains two Charity shops in Fore Street, Seaton which, prior to the pandemic forcing temporary closure, have continued to thrive. They have once again produced a good income whilst at the same time operating as a social hub for the town. The shops are managed by two part-time managers who keep the shops running smoothly. During the financial year gross sales were £55,996 a decrease of £75,901 on the previous year which reflects the forced closure. The expenses maintaining the shops amounted to £57,539, £454 less than last year (including shop managers wages). The League has utilised available grants and the job retention scheme. The vast majority of the labour is provided on a voluntary basis.

The League undertakes a number of fundraising events during the year, such as a Summer Fete, which had to be cancelled, and a Christmas Market. Donations which would normally come from individuals and organisations raising money for the League were also considerably reduced. A successful and now well-established weekly Bingo group with around 70 regular attendees has also had to stop meeting from March. The group which met at Colyford specifically raised funds for the Seaton Hospiscare@Home service. The League also operates a "100 Club" which has not been affected by the pandemic.

The League also has the benefit of Investment Income totalling £35,977 during the year, reflecting the funds on deposit. This income stream remains severely affected by the climate of low interest rates that have prevailed during the year.

Another source of income continues to come from former patients remembering the League in their wills. This financial year saw income from this source of £23,451. Numerous individual and corporate donations were also received, reflecting the wide support the League receives locally.

The League also continues to let the Doris South Carers' Haven to carers nationally and families of local residents. Income suffered from a number of cancellations. The letting income relating to the property in the year was £6,214 (September 2019: £7,197) with attributable expenses of £5,580 (September 2019: £3,395).

The unpredictable nature of the income received makes it difficult for the Trustees to plan expenditure until funds are held. However, the League has ongoing programmes for the benefit of patients in the area.

The League maintains an office within the hospital and employs a part-time manager. Hospital refreshments have continued to be supplied and amounted to £269.86 for the year

Our volunteers continue to help us with our charity activities and are a great asset. We value all of our volunteers and support them in the various roles they perform in helping our charity make a positive difference in our community.

Seaton and District Hospital League of Friends

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 30 September 2020

At Seaton Hospital, League volunteers maintain the hospital gardens but there was no extra spending during the year on this.

The League also runs Friends in the Community, a monthly group providing companionship, social and leisure activities in a relaxed atmosphere at Seaton Town Hall. The temporary cancellation of these meetings caused great hardship to those most in need of contact during the lockdowns.

What we have purchased this year

Our funds have helped patients and the community in many different ways this year. Below are some examples:

A donation to HALFF (Health and Local Food for Families), since renamed Project Food, of £7,000.

Hampers for patients amounting to £60.22.

Provision of a vending machine for outpatients at a cost of £631.80

At the end of the year the League had commitments as set out in the Reserves Policy.

Seaton Hospiscare@Home

In 2015 the League of Friends commissioned Hospiscare to run our dedicated end of life home nursing service, Seaton Friends Hospiscare@Home. Hospiscare provides the nurses and the League funds the service. There is a small team of nurses who deliver expert care and support to patients approaching the end of their life allowing them the choice of remaining in their own homes. They also provide support for the families that is full of kindness and understanding. Now in its sixth year, the service continues to provide much needed care to those nearing the end of their lives.

In 2019 there was a change to the service where the League collaborated with Axminster Hospiscare@Home. Both towns have their own separate bases and each League raises funds for the work that goes on in their town and area. Collaborating with Axminster League of Friends has enabled the League to reduce costs.

Total expenditure this financial year amounted to £340,018 (2019: £354,626).

Over the year the League has made a deficit of £123,962.

At the end of the year the League had commitments as set out in the Reserves Policy.

We should like to thank everyone for their support and donations during the year 2019/2020. First and foremost we should like to remember the people whose legacy gifts funded some of our work this year. To them and their families we extend our very special thanks.

We should also like to thank the families and friends of those who have sadly passed away this year for their kind donations received in memory of their loved ones.

We should particularly like to thank the following for raising money for the League this year:

Axe Canoe Club
Axe Valley Runners
Axmouth Show
Beer Action Group
Beer Pumpkin Show

Seaton and District Hospital League of Friends

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 30 September 2020

Mr and Mrs Bolton
Mary Bowles
Seaton Co-op
Duncan Driver
Mina fountain
Claire Graysmark
Haven Court
Janet Lang
Gordon Lindsay
Pecorama
Seaton & District Lions
Seaton Methodist Church
Seaton Town Council
Seaton WI
Southleigh Village Show
The Hat
Kay Thomas
Tucker Arms Raft Club
Wekulele
The Grizzly Runners from S&C Surgery

Finally, we should like to thank all of our volunteers without whom none of our work would have been possible. League volunteers have kindly donated over 6,000 hours during the financial year.

Seaton and District Hospital League of Friends

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 30 September 2020

Financial review

Investment Policy

Where funds are believed to be surplus to immediate requirements they are placed on term deposit with clearing banks in order to maximise the interest received. The Trustees are conscious that all funds under their control have been donated and entrusted to them by members of the public and that they have a duty to safeguard these funds. The risk of loss is thought to be moderate. The League may however be exposed to some investment risks.

Financial reserves policy

When considering a reserves policy the Trustees make a realistic assessment of the present and future liabilities of the League, with an assessment of the likely level of income to be received over future years. As the vast majority of the League's income is derived from donations made in wills, an accurate prediction can only be gained by looking at the level of income from shop trading and fundraising activities.

Reserves at 30th September 2020

1. At the time of drafting this policy (February 2019) the League has made substantial commitments in relation to the Seaton Friends Hospiscare @ Home. It is believed that £224,000 - £230,000 is required annually for this purpose. Reserves will need to be used to fund this for the next few years and reserves of £600,000 are felt to be appropriate for this purpose.
2. In view of the irregular nature of income received, the Trustees consider that the sum of £325,000 should be retained as free reserves to enable them to meet any future urgent requests rapidly.
3. Reserves include £190,624 of fixed assets held to further the objects of the charity.
4. Therefore at 30 September 2020 a total reserve of £1.12 million is considered prudent for the year to 30 September 2020.
5. This policy is reviewed annually and reported to members at each AGM.

Plans for future periods

Plans for the future include to continue to support Seaton Hospital and the local community. We also will carry on assisting the local surgeries as they roll out the Covid vaccinations at Seaton Hospital by providing volunteers to facilitate the smooth running of the process. We also plan to continue funding an end-of-life palliative care service for Seaton, Colyton and Beer.

Seaton and District Hospital League of Friends

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 30 September 2020

Trustees' responsibilities statement

The trustees, who are also directors for the purposes of company law, are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, for that period.

In preparing these financial statements, the trustees are required to:

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

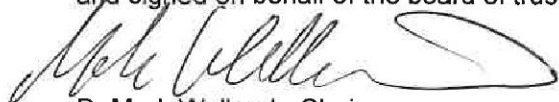
The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

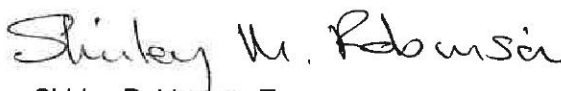
Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

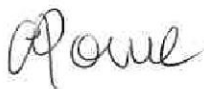
The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006. The trustees' annual report and the strategic report were approved on 09.06.2021 and signed on behalf of the board of trustees by:



Dr Mark Welland - Chair
Trustee



Shirley Robinson - Treasurer
Trustee



Carol Rowe - Secretary
Trustee

Seaton and District Hospital League of Friends

Company Limited by Guarantee

Independent Auditor's Report to the Members of Seaton and District Hospital League of Friends

Year ended 30 September 2020

Opinion

We have audited the financial statements of Seaton and District Hospital League of Friends (the 'charity') for the year ended 30 September 2020 which comprise the statement of financial activities (including income and expenditure account), statement of financial position and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 September 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Seaton and District Hospital League of Friends

Company Limited by Guarantee

Independent Auditor's Report to the Members of Seaton and District Hospital League of Friends *(continued)*

Year ended 30 September 2020

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Seaton and District Hospital League of Friends

Company Limited by Guarantee

Independent Auditor's Report to the Members of Seaton and District Hospital League of Friends *(continued)*

Year ended 30 September 2020

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.

Seaton and District Hospital League of Friends

Company Limited by Guarantee

Independent Auditor's Report to the Members of Seaton and District Hospital League of Friends *(continued)*

Year ended 30 September 2020

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Use of our report

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



Stuart Carrington FCA (Senior Statutory Auditor)

For and on behalf of
Thomas Westcott Chartered Accountants
Chartered accountants & statutory auditor
Timberly
South Street
Axminster
Devon
England
EX13 5AD

14.6.2021

Seaton and District Hospital League of Friends

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 30 September 2020

			2020		2019
	Note	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
Income and endowments					
Donations and legacies	5	71,991	42,889	114,880	66,574
Charitable activities	6	—	—	—	4,657
Other trading activities	7	56,359	11,037	67,396	148,394
Investment income	8	42,133	—	42,133	37,064
Total income		<u>170,483</u>	<u>53,926</u>	<u>224,409</u>	<u>256,689</u>
Expenditure					
Expenditure on raising funds:					
Costs of other trading activities	9	57,553	1,668	59,221	61,248
Expenditure on charitable activities	10,11	55,588	225,209	280,797	293,378
Total expenditure		<u>113,141</u>	<u>226,877</u>	<u>340,018</u>	<u>354,626</u>
Net (losses)/gains on investments	14	(8,353)	—	(8,353)	56,178
Net expenditure		<u>48,989</u>	<u>(172,951)</u>	<u>(123,962)</u>	<u>(41,759)</u>
Transfers between funds		(172,951)	172,951	—	—
Net movement in funds		<u>(123,962)</u>	<u>—</u>	<u>(123,962)</u>	<u>(41,759)</u>
Reconciliation of funds					
Total funds brought forward		2,220,381	—	2,220,381	2,262,140
Total funds carried forward		<u>2,096,419</u>	<u>—</u>	<u>2,096,419</u>	<u>2,220,381</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

Seaton and District Hospital League of Friends

Company Limited by Guarantee

Statement of Financial Position

30 September 2020

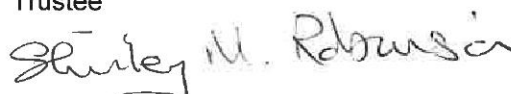
	Note	2020 £	2019 £
Fixed assets			
Tangible fixed assets	19	190,624	195,119
Investments	20	1,233,457	1,206,021
		<u>1,424,081</u>	<u>1,401,140</u>
Current assets			
Debtors	21	2,004	8,895
Cash at bank and in hand		699,164	836,927
		<u>701,168</u>	<u>845,822</u>
Creditors: amounts falling due within one year	22	28,830	26,581
Net current assets		<u>672,338</u>	<u>819,241</u>
Total assets less current liabilities		<u>2,096,419</u>	<u>2,220,381</u>
Net assets		<u>2,096,419</u>	<u>2,220,381</u>
Funds of the charity			
Unrestricted funds		<u>2,096,419</u>	<u>2,220,381</u>
Total charity funds	25	<u>2,096,419</u>	<u>2,220,381</u>

These financial statements were approved by the board of trustees and authorised for issue on 09.06.2021 and are signed on behalf of the board by:

Dr Mark Welland - Chair
Trustee



Shirley Robinson - Treasurer
Trustee



Carol Rowe - Secretary
Trustee



The notes on pages 15 to 26 form part of these financial statements.

Seaton and District Hospital League of Friends

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 30 September 2020

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Seaton Community Hospital, Valley View, Seaton, Devon, EX12 2UU.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Seaton and District Hospital League of Friends

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 September 2020

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Seaton and District Hospital League of Friends

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 September 2020

3. Accounting policies *(continued)*

Tangible assets *(continued)*

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Motor vehicles	- 25% straight line
Equipment	- Straight line over 3 years

Investments

Unlisted equity investments are initially recorded at cost, and subsequently measured at fair value. If fair value cannot be reliably measured, assets are measured at cost less impairment.

Listed investments are measured at fair value with changes in fair value being recognised in income or expenditure.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the charity will comply with the conditions attaching to them and the grants will be received.

Seaton and District Hospital League of Friends

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 September 2020

3. Accounting policies *(continued)*

Government grants *(continued)*

Where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. Limited by guarantee

Seaton & District Hospital League of Friends is a company limited by guarantee and accordingly does not have share capital.

Every member of the company undertakes to contribute such amount as may be required, not exceeding £1, to the assets of the charitable company in the event of it being wound up while he or she is a member, or within one year after he or she ceases to be a member.

Seaton and District Hospital League of Friends

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 September 2020

5. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Donations			
Donations and bequests	25,331	—	25,331
Churston Rise	6,214	—	6,214
Friends in the community	—	296	296
Hospiscare @ Home	—	42,593	42,593
Grants			
Government grant income	40,446	—	40,446
	<u>71,991</u>	<u>42,889</u>	<u>114,880</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Donations			
Donations and bequests	7,016	—	7,016
Churston Rise	7,197	—	7,197
Friends in the community	—	653	653
Hospiscare @ Home	113	51,595	51,708
Grants			
Government grant income	—	—	—
	<u>14,326</u>	<u>52,248</u>	<u>66,574</u>

6. Charitable activities

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Feed in Tariff	—	—	4,657	4,657

7. Other trading activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Subscriptions	363	—	363
Fundraising for Hospiscare @ Home	—	11,037	11,037
Fundraising events	—	—	—
Shop income	55,996	—	55,996
	<u>56,359</u>	<u>11,037</u>	<u>67,396</u>

Seaton and District Hospital League of Friends

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 September 2020

7. Other trading activities *(continued)*

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Subscriptions	845	—	845
Fundraising for Hospiscare @ Home	—	15,318	15,318
Fundraising events	334	—	334
Shop income	131,897	—	131,897
	<u>133,076</u>	<u>15,318</u>	<u>148,394</u>

8. Investment income

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Income from listed investments	35,977	35,977	31,622	31,622
Bank interest receivable - General	6,156	6,156	5,442	5,442
	<u>42,133</u>	<u>42,133</u>	<u>37,064</u>	<u>37,064</u>

9. Costs of other trading activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Costs of other trading activities - Shop costs	57,539	—	57,539
Costs of other trading activities - Fundraising events	14	1,668	1,682
	<u>57,553</u>	<u>1,668</u>	<u>59,221</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Costs of other trading activities - Shop costs	57,993	—	57,993
Costs of other trading activities - Fundraising events	1,063	2,192	3,255
	<u>59,056</u>	<u>2,192</u>	<u>61,248</u>

Seaton and District Hospital League of Friends

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 September 2020

10. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Relieving patients and former patients of Seaton Hospital	15,551	224,791	240,342
Support costs	40,037	418	40,455
	<u>55,588</u>	<u>225,209</u>	<u>280,797</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Relieving patients and former patients of Seaton Hospital	8,485	244,959	253,445
Support costs	39,764	170	39,933
	<u>48,249</u>	<u>245,129</u>	<u>293,378</u>

11. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Grant funding of activities £	Support costs £	Total funds 2020 £	Total fund 2019 £
Relieving patients and former patients of Seaton Hospital	233,342	7,000	–	240,342	253,445
Governance costs	–	–	40,455	40,455	39,933
	<u>233,342</u>	<u>7,000</u>	<u>40,455</u>	<u>280,797</u>	<u>293,378</u>

12. Analysis of support costs

	Analysis of support costs of charitable activities £	Total 2020 £	Total 2019 £
Staff costs	19,590	19,590	20,006
Communications and IT	653	653	470
General office	10,237	10,237	10,652
Governance costs	5,743	5,743	5,951
Legal and professional fees	4,232	4,232	2,854
	<u>40,455</u>	<u>40,455</u>	<u>39,933</u>

Seaton and District Hospital League of Friends

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 September 2020

13. Analysis of grants

	2020 £	2019 £
Grants to institutions		
Grants to local charities	7,000	—
Total grants	<u>7,000</u>	<u>—</u>

14. Net (losses)/gains on investments

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Gains/(losses) on listed investments	<u>(8,353)</u>	<u>(8,353)</u>	<u>56,178</u>	<u>56,178</u>

15. Net expenditure

Net expenditure is stated after charging/(crediting):

	2020 £	2019 £
Depreciation of tangible fixed assets	<u>5,430</u>	<u>5,592</u>

16. Auditors remuneration

	2020 £	2019 £
Fees payable for the audit of the financial statements	<u>4,911</u>	<u>4,761</u>
Fees payable to the charity's auditor and its associates for other services: Other non-audit services	<u>2,397</u>	<u>1,190</u>

17. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2020 £	2019 £
Wages and salaries	42,383	42,317
Employer contributions to pension plans	797	774
	<u>43,180</u>	<u>43,091</u>

Seaton and District Hospital League of Friends

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 September 2020

17. Staff costs *(continued)*

The average head count of employees during the year was 3 (2019: 3). The average number of full-time equivalent employees during the year is analysed as follows:

	2020 No.	2019 No.
Management staff	1	1
Shop staff	2	1
	<u>3</u>	<u>2</u>

No employee received employee benefits of more than £60,000 during the year (2019: Nil).

18. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

Two trustees have claimed expenses or had their expenses met by the charity (2019: three).

The total amount of expenses reimbursed to trustees was £367.35 (2019: £299.20). These expenses were costs incurred by the trustees for administrative expenses, charitable activities and also the reimbursement of travel costs.

19. Tangible fixed assets

	Freehold property £	Motor vehicles £	Equipment £	Total £
Cost				
At 1 October 2019	190,000	11,800	35,625	237,425
Additions	—	—	935	935
At 30 September 2020	<u>190,000</u>	<u>11,800</u>	<u>36,560</u>	<u>238,360</u>
Depreciation				
At 1 October 2019	—	11,800	30,506	42,306
Charge for the year	—	—	5,430	5,430
At 30 September 2020	<u>—</u>	<u>11,800</u>	<u>35,936</u>	<u>47,736</u>
Carrying amount				
At 30 September 2020	<u>190,000</u>	<u>—</u>	<u>624</u>	<u>190,624</u>
At 30 September 2019	<u>190,000</u>	<u>—</u>	<u>5,119</u>	<u>195,119</u>

Seaton and District Hospital League of Friends

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 September 2020

20. Investments

	Listed investments £
Cost or valuation	
At 1 October 2019	1,206,021
Additions	—
Fair value movements	(8,353)
Other movements	35,789
At 30 September 2020	<u>1,233,457</u>
Impairment	
At 1 October 2019 and 30 September 2020	
Carrying amount	
At 30 September 2020	<u>1,233,457</u>
At 30 September 2019	<u>1,206,021</u>

All investments shown above are held at valuation.

Financial assets held at fair value

Investments are revalued to their fair value at each year end date. The fair value has been determined by 3rd party valuations as provided by the asset managers.

21. Debtors

	2020 £	2019 £
Trade debtors	20	4,980
Prepayments and accrued income	1,984	3,915
	<u>2,004</u>	<u>8,895</u>

22. Creditors: amounts falling due within one year

	2020 £	2019 £
Accruals and deferred income	23,177	23,177
Other creditors	5,653	3,404
	<u>28,830</u>	<u>26,581</u>

23. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £797 (2019: £774).

Seaton and District Hospital League of Friends

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 September 2020

24. Government grants

The amounts recognised in the financial statements for government grants are as follows:

	2020 £	2019 £
Recognised in income from donations and legacies:		
Government grants income	<u>40,446</u>	<u>—</u>

25. Analysis of charitable funds

Unrestricted funds

	At 1 Oct 2019 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 30 Sep 2020 £
General funds	<u>2,220,381</u>	<u>170,483</u>	<u>(113,141)</u>	<u>(172,951)</u>	<u>(8,353)</u>	<u>2,096,419</u>

	At 1 Oct 2018 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 30 Sep 2019 £
General funds	<u>2,262,140</u>	<u>189,123</u>	<u>(107,305)</u>	<u>(179,755)</u>	<u>56,178</u>	<u>2,220,381</u>

Restricted funds

	At 1 Oct 2019 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 30 Sep 2020 £
Hospiscare @ Home	—	53,630	(226,014)	172,384	—	—
Friends in the community	—	296	(863)	567	—	—
	<u>—</u>	<u>53,926</u>	<u>(226,877)</u>	<u>172,951</u>	<u>—</u>	<u>—</u>

	At 1 Oct 2018 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 30 Sep 2019 £
Hospiscare @ Home	—	66,913	(245,387)	178,474	—	—
Friends in the community	—	653	(1,934)	1,281	—	—
	<u>—</u>	<u>67,566</u>	<u>(247,321)</u>	<u>179,755</u>	<u>—</u>	<u>—</u>

Seaton and District Hospital League of Friends

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 September 2020

26. Analysis of net assets between funds

	Unrestricted Funds £	Total Funds 2020 £
Tangible fixed assets	190,624	190,624
Investments	1,233,457	1,233,457
Current assets	701,168	701,168
Creditors less than 1 year	(28,830)	(28,830)
Net assets	2,096,419	2,096,419

	Unrestricted Funds £	Total Funds 2019 £
Tangible fixed assets	195,119	195,119
Investments	1,206,021	1,206,021
Current assets	845,927	845,927
Creditors less than 1 year	(26,581)	(26,581)
Net assets	2,220,486	2,220,486

27. Events after the end of the reporting period

Although there are no specific known factors which could have an impact on the charity's financial statements, it should be noted that as at the end of the financial year, there continued to be an instability factor relating to the global health emergency in respect of Coronavirus.

The charity has utilised Government financial assistance during the pandemic.

The charity shops were closed for a brief period after the end of the reporting period however, since 12th April 2021 the shops have remained open.

The long-term impact on investment values of the Covid-19 pandemic is not yet fully understood.

28. Other financial commitments

The league entered in to a Service Level Agreement with Hospiscare under which Hospiscare will provide an end of life care hospice at home nursing service and associated support to the League. Seaton & District Hospital League of Friends are committed to pay between £230,000 and £240,000 per annum for this service.

£223,928 was charged for this service in the year.

The league has further commitments, in terms of rental agreements, totalling £17,017 as at 30 September 2020 (2019: £24,017).

29. Related party transactions

During the year the League rented a room from a GP practice where a partner there is a trustee of Seaton Hospital League of Friends. This was in the course of the League's charitable activities and a market rent was charged.

Seaton and District Hospital League of Friends

Company Limited by Guarantee

Management Information

Year ended 30 September 2020

The following pages do not form part of the financial statements.

Seaton and District Hospital League of Friends

Company Limited by Guarantee

Detailed Statement of Financial Activities

Year ended 30 September 2020

	2020 £	2019 £
Income and endowments		
Donations and legacies		
Donations and bequests	25,331	7,016
Churston Rise	6,214	7,197
Friends in the community	296	653
Hospiscare @ Home	42,593	51,708
Government grant income	40,446	—
	<u>114,880</u>	<u>66,574</u>
Charitable activities		
Feed in Tariff	—	4,657
Other trading activities		
Subscriptions	363	845
Fundraising for Hospiscare @ Home	11,037	15,318
Fundraising events	—	334
Shop income	55,996	131,897
	<u>67,396</u>	<u>148,394</u>
Investment income		
Income from listed investments	35,977	31,622
Bank interest receivable - General	6,156	5,442
	<u>42,133</u>	<u>37,064</u>
Total income	<u>224,409</u>	<u>256,689</u>

Seaton and District Hospital League of Friends

Company Limited by Guarantee

Detailed Statement of Financial Activities *(continued)*

Year ended 30 September 2020

	2020 £	2019 £
Expenditure		
Costs of other trading activities		
Shop costs	33,949	34,882
Wages and salaries	23,316	22,821
Pension costs	274	264
Purchases for events	1,682	3,255
Other office costs	—	26
	<u>59,221</u>	<u>61,248</u>
 Expenditure on charitable activities		
Grants to other organisations	7,000	—
Wages and salaries	19,067	19,496
Pension costs	523	510
Friends in the community	863	1,934
Seaton Friends Hospiscare@Home	223,928	243,026
Carers' haven	5,580	3,395
Insurance	797	935
Seaton Hospital expenditure	1,032	2,509
Motor vehicle expenses	1,939	2,581
Legal and professional fees	9,975	8,805
Telephone	653	470
Other office costs	1,141	1,217
Depreciation	5,430	5,592
Sundry expenses	2,869	2,908
	<u>280,797</u>	<u>293,378</u>
 Total expenditure	<u>340,018</u>	<u>354,626</u>
 Net (losses)/gains on investments		
Gains/(losses) on listed investments	<u>(8,353)</u>	<u>56,178</u>
 Net expenditure	<u>(123,962)</u>	<u>(41,759)</u>

