

Charity registration number: 1176686



The League Of Friends Of The Royal United Hospitals (Bath)

known as

Friends Of The RUH

Annual Report and Financial Statements

for the Year Ended 30 September 2022

The League Of Friends Of The Royal United Hospitals (Bath)

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Trustees' Report

The Trustees present the annual report together with the financial statements of the Charity for the year ended 30 September 2022.

The League of Friends of the Royal United Hospitals (Bath) (the 'Friends') is a Charitable Incorporated Organisation - registered charity number 1176686. The principal office is at the Royal United Hospitals - Bath NHS Foundation Trust, Combe Park Bath BA1 3NG. Its Governing Document is its Constitution adopted on 15 January 2018, amended by resolution dated 18 June 2019.

Objectives and activities

Objects and aims

The object of the League of Friends of the Royal United Hospitals (Bath) is to preserve and protect the health of patients of the Royal United Hospitals by providing and assisting in the provision of facilities, support services and equipment not normally provided by the statutory authorities.

Fundraising disclosures

Our main source of regular income is our retail operations - the Friends of the RUH Shop in the Atrium and the Café at B18 (previously known as the Friends Coffee Shop).

We do not employ any professional fundraisers. However, we usually hold an annual raffle. We place collection boxes in our retail units and at a number of locations throughout the hospital. We do receive some funds in the form of legacies, in memoriam collections, and from supporters of the charity.

We do not employ any third-party fundraising agencies or have any activities carried out on our behalf or by commercial participators.

We are not aware of any failures to comply with fundraising standards or related schemes of regulation by us or others acting on our behalf.

During 2021-22 we did not receive any suppression requests through the Fundraising Preference Scheme.

We received no complaints about our fundraising activities during 2021-22.

Public benefit

The trustees confirm that the Charity complies with The Charities Act 2011 with regard to public benefit requirements.

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Trustees' Report (continued)

Achievements and performance

During the year the hospital gradually reduced attendance and visiting restrictions and removed them entirely in the Summer. This has resulted in much increased turnover in the retail units and an improvement in volunteering activity.

Retail Trading

Our two retail units - the Friends of the RUH Shop in the Atrium and the Café at B18 are vitally important as they are the Charity's main source of income which is used to fund the management of the volunteer workforce and grant aid financial resources that benefit the patients.

The Friends of the RUH Shop



The Friends of the RUH shop in the Atrium stocks a wide range of merchandise including sandwiches, ready meals, newspapers, toiletries, groceries, greetings cards, soft drinks and sweets and snacks. During the year the decision was made to improve the offering of ready meals. A concession agreement was entered into with COOK and a wide range of their products are now on sale in the shop and proving popular.

The refurbishment of the Shop was completed just before the end of the last financial year. The work has made a huge difference to the shop environment. The

airy and contemporary retail space with much improved wheelchair access is a credit to both the Trust and the charity and has received many compliments from customers old and new.

Over the year weekly turnover increased by almost 40%. This was mainly due to increased footfall as a result of the lifting of COVID restrictions in the hospital.

A great deal of effort has been put into adopting better focussed purchasing and improved control around pricing and margins. To this end the Trustees are most appreciative of the help and guidance the Charity has received from Debbie King, a retail specialist with many years' experience at senior director level.

Weekend opening recommenced on a trial basis in October 2022. Having the shop open soon proved to be very popular and is providing a much-needed service for the staff, patients and visitors. The arrangement was made permanent in January 2023.

In the year under review shop takings amounted to £418,500. This compares with £319,567 in 2021, £501,650 in 2020 and £719,794 in 2019.



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Trustees' Report (continued)

Café at B18



The Café at B18 with its wide range of homemade sandwiches, baguettes, light lunches, barista coffees and tranquil setting is very much to the liking of the staff and visitors to the hospital.

After a slow start, the Café has returned to pre-pandemic trading levels with turnover increasing by some 57% over the year.

The present Café opened in 2014 and after nearly 8 years was looking tired and dated, and some kitchen equipment was nearing the end of its useful life. During the year the opportunity was taken to redecorate and install some contemporary imagery and signage.

Due to the need to drive profits for the benefit of the hospital and provide high quality service it was felt that improvements were needed to the hot food offering. A new oven and other kitchen hardware were purchased and this has allowed the charity to increase the range of homemade hot food and baked items on the menu.



In doing the improvements, the

charity has once again been most fortunate to have the assistance of local marketing consultant Ronny Helvey and graphic designers Starke Creative.

In the year under review Café takings amounted to £191,111. This compares with £69,487 in 2021, £124,567 in 2020 and £242,778 in 2019.



Volunteering

The Trustees are most appreciative of the commitment and dedication of its volunteers. The volunteers' work is greatly valued by all associated with the hospital and letters of thanks for acts of kindness are often received.

The challenge for the year has been to gradually increase the number of active volunteers and the number of hours they donate to the hospital. In the year under review a total of 131 people volunteered with between 70 to 80 volunteers active in any one month. In total the volunteers contributed some 14,000 hours to the RUH. This compares to an active cohort of around 55 per month contributing almost 10,000 hours in the previous year.

The main achievements in 2021/22 were:

- High amount of complimentary patient, visitor and staff feedback for the Welcome role.
- Number of new ward roles established or re-established.
- Significant increase in youth volunteering, 21% of all volunteers are under 30. The charity has formed strong links with Bath College, Bath University and NHS Cadets.
- Gardening volunteers win several regional and local awards.
- Inclusion initiatives are beginning to impact volunteer population.

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Trustees' Report (continued)

- A monthly volunteer newsletter published.

The list below shows the range of volunteering activities during the year under review.

- Art at the Heart of the RUH
- Breast Feeding Peer Support
- Estates Management
- FRUH - Café at B18
- FRUH - Shop
- FRUH Christmas Activities
- FRUH - Gardening Maintenance
- Housekeeping
- Oncology Welcome Volunteer
- PAT Dog Volunteers
- Spiritual Care
- Ward Volunteer - Children's Ward Support
- Ward Volunteer - Emergency Dept
- Ward Volunteer - Forrester Brown
- Ward Volunteer - Older Persons Assessment Unit
- Ward Volunteer - Oncology
- Ward Volunteer - Orthopaedic Outpatients
- Ward Volunteer - Philip Yeoman
- Ward Volunteer MAU - Specialist Support
- Welcome Volunteers

Communications

Progress on improving our internal and external communications stalled due to the loss of the lead trustee and the other members of the team having less time available. The trustees are actively searching for a new lead trustee for communications.

The charity has produced a monthly newsletter volunteer-based newsletter.

Information Management

The Lead Trustee for Information Management has continued to monitor working practices and the Charity works with the hospital to ensure systems and practices meet their requirements.

Donations to the RUH

The charity sets aside its surplus profits in order to make donations to the RUH in accordance with its objectives. After two years of restrictions the trustees were able to make £100,000 available to the Trust at the start of the year.

Following a bidding process, donations to the value of £72,546.38 were approved. By the end of the year the charity had paid for the following items

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Trustees' Report (continued)

Project/Equipment	Ward/Area	£
Digital wall calendar/clock	Dementia	6,327
Bladder Scanner	Trauma Assessment Unit	6,025
Bili Lux LED phototherapy light	NICU	4,247
		<hr/> 16,599

At the end of the year the items listed below were awaiting delivery or completion of the work

Project/Equipment	Ward/Area	£
Marsden Weighing Scales	Philip Yeoman	2,395
Waiting Room upgrade	Respiratory Outpatients	2,248
Chairs	Orthopaedic Outpatient Area	9,546
Furniture	Forester Brown	5,081
Patient Safety Placements Cards	Quality Improvement	5,528
Masimo Rad New-born sensors	Chippenham Birthing Centre	1,578
Patient Chairs	Bath Birthing Centre	1,670
Smart TV	Frome Birthing Centre	582
Chair Beds	Children's Ward	9,975
Midwife Kits	Chippenham Birthing Centre	8,456
Charge Box	Emergency Dept	8,030

The charity expended a further £12,242 providing the following items at various locations across the hospital - Patient Activity Pack (£1,500), Christmas Gifts (£2,348), Emergency Packs (£4,100), Garden Maintenance (£1,694), Hanging Baskets (£2,340) and newspapers for the Discharge Hub (£260).

During 2020/21 the charity received a generous legacy of £167,256 from the Estate of the Late Barbara Phillips to support the Breast Care Department's work. Following negotiations with the RUH Trust it was agreed that the charity would provide the sum of £124,842 for the provision of a new Ultrasound Room in the Department. The work was undertaken in the second half of 2022 and the Department started using the new room in December 2022.

In February 2023 the Charity received the very generous legacy of £40,000 from the Estate of the Late Malcolm John Collis.

In 2018 the then Trustees approved a donation of £150,000 for the provision of a series of Patient Service Columns in the Intensive Therapy Unit. Due to the pandemic and the need for the Trust to continually re-prioritise its capital programme the works have been delayed. The trustees remain committed to the project and will work with the Trust to achieve the best possible outcome.

The charity is responsible for recruiting and managing volunteering activities in the hospital. The charity's costs in providing the service are an indirect financial benefit to the RUH of almost £60,000.

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Trustees' Report (continued)

Trustees

The year under review saw one change in Trustees with the lead trustee for communications, Karen Sahoy, resigning in March 2022. Richard Bryan and Dave Biggs joined the Board in January 2023.

The current trustees and their respective roles are:

Bernard Rymer - Chair

Jane Rymer - Treasurer

Madeline Baker - Grants Committee member and Volunteer Representative

Graham Hart - Grants Committee member and Volunteer Representative

Paul Satterly - Lead Trustee for Volunteering

Dave Donaghy- Lead Trustee for Information Management

Andrea Pierce - Lead Trustee for Legal Matters and Grants Committee member

Philip Addis - Lead Trustee for Retail Matters

Richard Bryan - Volunteer Representative

Dave Biggs - Volunteer Representative

Trustees serve for a period of three years but may seek re-election at the next Annual General Meeting. The Trustees are always seeking people with appropriate business and professional skills to join the Board or to assist with one-off projects.

Lease

In October 2021 the RUH renewed the lease for the Friends of the RUH shop, the Café at B18 and the Volunteers' office for 4 years to October 2025.

Management of staff and volunteers

The Trustees wish to place on record their appreciation of the excellent work of the paid staff and volunteers who help run the charity's retail units and volunteering office. It is only through their hard work and dedication that the charity has been able to donate a total of £28,841 and provide almost 14,000 volunteer hours to the RUH during the year under review.

Financial review

The Friends were generously supported by donations and fundraising. A total of £67,177 (2021: £243,982) was received this way. This amount included legacies of £55,504 (2021: £180,356). The profit from primary trading activities was £119,965 (2021: £13,687 Loss). Reserves carried forward for the future were £1,237,420 (2021: £1,153,615). Full details of the financial activities for the year are given in the attached financial statements.

Policy on reserves

Reserves are held for expenditure on the Objects of the Friends, with adequate reserves, at least £200,000, retained to enable the prudent management of any unforeseen circumstances. At 30 September 2022, £1,001,634 (2021: £909,312) was held in free reserves.

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Trustees' Report (continued)

Restricted Funds

In October 2020, the charity became aware of a very generous legacy from the Estate of the Late Barbara Phillips for the benefit of the Breast Care Department. The first tranche of the money was received in October 2021 and when the final sum is received the legacy will amount to £167,256.

During the year the Trustees agreed to provide funds from the legacy totalling £124,842 for the provision of a new Ultrasound Room in the Breast Care Department. The work was completed in December 2022 and the funds were released to the hospital in January 2023.

During the year the charity received a legacy of some £5,000 for the Oncology Paediatric Department. The trustees are working with the department to identify a suitable project for the money.

Principal funding sources

The sole beneficiary of the charity's funding is the Royal United Hospitals Foundation Trust.

The Charity sets aside its surplus profits in order to make donations to the hospital in accordance with its objectives. During the year donations amounting to £28,841 were paid to the Trust.

Investment policy and objectives

The overall investment objective is to produce the best financial return with the least level of risk. To this end only cash investments shall be allowed. No other investments activity is sanctioned i.e. purchase of shares, land acquisition for rent or sale.

Risk management

The Trustees actively review the major risks that the Charity faces and are confident that the systems in place and reserves held are adequate to mitigate these risks.

Decision making

The Board regularly reviews matters that are reserved to the Board and which can be delegated. It collectively exercises the powers of delegation to individual trustees and staff.

The Board describes its 'delegations' framework in a document that provides sufficient detail and clear boundaries that the delegations can be clearly understood and carried out.

The Board does not currently have a committee structure. The matter is under consideration and if adopted suitable terms of reference and membership will be drawn up and reviewed regularly by the Board.

The Royal United Hospitals Foundation Trust provides the Charity with a number of services, including IT and payroll. Human Resources advice is provided by Moorepay, and bookkeeping services by Mutu.

The Board assures itself that the work is carried out in the interests of the Charity and in line with its values and the agreement between the Charity and the supplier.

The Board regularly checks the Charity's key policies and procedures to ensure that they still support, and are adequate for, the delivery of the Charity's aims.

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Trustees' Report (continued)

Plans for future periods

Donations to the RUH

- Since the end of the 2021-22 financial year the Board has made a further sum of £100,000 available to the RUH Trust for the provision of facilities, support services, and equipment.
- In addition, the charity will continue to fund volunteering activities in the hospital and provide specific grants for Garden Maintenance, Patient Emergency Packs, Patient Activity Packs, Hanging Baskets, Newspapers for the Discharge Hub, and Christmas Gifts.

Volunteering

- The provision and management of volunteers is an important part of the charity's work in the hospital. An efficient system to process applications is vital to sustaining a consistent flow of new volunteers. A full review of the recruitment process to ensure that the majority of applications are processed within 6 weeks will be undertaken.
- Recruitment campaigns will be undertaken designed to have over 200 active volunteers in place by the end of 2023.
- The Volunteering team will assist the RUH's Volunteer Development Manager's work to ensure that the new ward-based roles are fully integrated within the ward and are rewarding for volunteers and valuable to patients and staff.

Friends of the RUH Shop

- The turnover in the Shop suffered as a result of the pandemic and changes in purchasing habits. The Trustees will seek ways to increase turnover and profitability through the use of technology and online selling.
- The shop environment is very important to the success of the business. Action will be taken to ensure ranges and displays are continually reviewed and updated.

Café at B18

- The Café is currently open for 5 hours a day. Indications are that there is enough business for the opening hours to be extended. The Trustees plan to extend the hours when sufficient numbers of staff and volunteers have been recruited.
- The ability to grow the business is constrained by the lack of volunteer helpers. The Retail Manager will work with the Volunteer Services team to recruit more volunteers.
- For the Café business to be successful it is imperative that staff and volunteers are well trained and competent in all aspects of the work. The Retail Manager will review and update existing training and induction programmes.
- With the recent investment in new equipment the Retail Manager will seek to further extend the range of hot food options on menu.

Trustees

- A number of Trustees plan to retire during the year. The Board will take action to recruit two new trustees from the volunteer workforce and a third person to be the lead trustee for Communications.

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Trustees' Report (continued)

Governance Arrangements

- The Governance Policies and Procedures will be reviewed to ensure that they continue to support the aims of the Charity. This includes the scheme of delegation that is essential for matters which are delegated amongst the Board of Trustees and staff members.
- The Risk Register will also be reviewed to ensure that the risks to which the Charity is exposed to are documented and that appropriate controls are in place to mitigate against those risks.

Website

- During the year the charity will introduce a new website. The present site is out of date, it is difficult to find information and the imagery is of a very poor quality.
- A group of Trustees and a number volunteers will work with a local website developer to construct a website that will portray the charity properly and in line with its values.
- The website will show prospective donors and volunteers what the benefits are of supporting the charity's work.
- The website will allow the charity to showcase its financial support for the RUH, the offerings in the Friends Shop and the Café at B18 and current volunteering opportunities.

Structure, governance and management

Recruitment and appointment of Trustees

Trustees are appointed by the Board and elected at the Annual General Meeting on the basis of their enthusiasm for and commitment to the objects of the Charity. The aim is to have a Board consisting of trustees with business and professional skills, experience and expertise that mirrors the charity's governance needs and operational activities. In seeking new trustees, the charity advertises on its website, through social media channels, and through relevant third sector associations.

Induction and training of trustees

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

Arrangements for setting key management personnel remuneration

The Trustees consider the Board of Trustees, Retail Manager, and the Volunteer Manager as comprising the key management personnel of the Charity in charge of directing and controlling the charity and running and operating the Charity on a day to day basis.

The Board reviews the pay and remuneration of its key management personnel. In making decisions the Board takes into consideration its commitments and market factors.

All Trustees give up their time freely and no Trustee remuneration was paid in the year. Details of Trustee expenses and related party transactions are disclosed in note 11 to the accounts.

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

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Trustees' Report (continued)

Reference and Administrative Details

Charity Registration Number:	1176686
Principal Office:	Friends of the RUH Royal United Hospital Combe Park Bath BA1 3NG
Independent Examiner:	Milsted Langdon LLP Freshford House Redcliffe Way Bristol BS1 6NL
Solicitors:	Stone King Solicitors LLP 13 Queen Square Bath BA1 2HJ
Bankers:	Lloyds Bank Plc

Trustees and officers

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

Trustees:	J Rymer, Treasurer
	M Baker
	G Hart
	B Rymer, Chairman
	P J Satterly
	A Pierce
	D Donaghy
	P Addis
	K Sahoy (resigned 21 March 2022)
	R Bryan (appointed 16 January 2023)
	D Biggs (appointed 16 January 2023)

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Trustees' Report (continued)

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 Charities (Accounts and Reports) Regulations 2008, 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. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The annual report was approved by the Trustees of the Charity on 27 March 2023 and signed on its behalf by:

.....
J Rymer
Trustee

The League Of Friends Of The Royal United Hospitals (Bath)

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Independent Examiner's Report to the trustees of The League Of Friends Of The Royal United Hospitals (Bath)

I report to the Trustees on my examination of the accounts of The League Of Friends Of The Royal United Hospitals (Bath) for the year ended 30 September 2022.

Responsibilities and basis of report

As the Charity's Trustees of The League Of Friends Of The Royal United Hospitals (Bath) 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 The League Of Friends Of The Royal United Hospitals (Bath)'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 The League Of Friends Of The Royal United Hospitals (Bath)'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 the FCCA, 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 The League Of Friends Of The Royal United Hospitals (Bath) 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.

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.

.....
Ian Lloyd
FCCA

Freshford House
Redcliffe Way
Bristol
BS1 6NL

30 March 2023

The League Of Friends Of The Royal United Hospitals (Bath)

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Statement of Financial Activities for the Year Ended 30 September 2022

	Note	Unrestricted funds £	Restricted funds £	2022 £	2021 £
Income and Endowments from:					
Donations and legacies	2	62,177	5,000	67,177	243,982
Charitable activities	3	609,611	-	609,611	389,054
Other trading activities	4	735	-	735	1,441
Investment income	5	459	-	459	432
Other income		280	-	280	-
Total income		<u>673,262</u>	<u>5,000</u>	<u>678,262</u>	<u>634,909</u>
Expenditure on:					
Raising funds	7	(75,970)	-	(75,970)	(51,234)
Charitable activities	8	<u>(518,487)</u>	<u>-</u>	<u>(518,487)</u>	<u>(450,261)</u>
Total expenditure		(594,457)	-	(594,457)	(501,495)
Gains/losses on investment assets		<u>-</u>	<u>-</u>	<u>-</u>	<u>(604)</u>
Net income		<u>78,805</u>	<u>5,000</u>	<u>83,805</u>	<u>132,810</u>
Net movement in funds		78,805	5,000	83,805	132,810
Reconciliation of funds					
Total funds brought forward		<u>986,359</u>	<u>167,256</u>	<u>1,153,615</u>	<u>1,020,805</u>
Total funds carried forward	21	<u><u>1,065,164</u></u>	<u><u>172,256</u></u>	<u><u>1,237,420</u></u>	<u><u>1,153,615</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 21.

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**(Registration number: 1176686)
Balance Sheet as at 30 September 2022**

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	14	63,530	77,047
Current assets			
Stocks	15	11,205	11,479
Debtors	16	64,141	180,388
Cash at bank and in hand	17	1,294,852	1,070,004
		1,370,198	1,261,871
Creditors: Amounts falling due within one year	18	(46,308)	(35,303)
Net current assets		1,323,890	1,226,568
Total assets less current liabilities		1,387,420	1,303,615
Creditors: Amounts falling due after more than one year	19	(150,000)	(150,000)
Net assets		1,237,420	1,153,615
Funds of the Charity:			
Restricted income funds			
Restricted funds		172,256	167,256
Unrestricted income funds			
Unrestricted funds		1,065,164	986,359
Total funds	21	1,237,420	1,153,615

The financial statements on pages 13 to 29 were approved by the Trustees, and authorised for issue on 27 March 2023 and signed on their behalf by:

.....
J Rymer
Trustee

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Cash Flow Statement for the Year Ended 30 September 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash income		83,805	132,810
Adjustments to cash flows from non-cash items			
Depreciation	7	20,559	4,123
Investment income	5	(459)	(432)
Revaluation of investments		-	604
		<u>103,905</u>	<u>137,105</u>
Working capital adjustments			
Decrease in stocks	15	274	3,050
Decrease/(increase) in debtors	16	116,247	(120,408)
Increase in creditors	18	<u>11,005</u>	<u>5,164</u>
Net cash flows from operating activities		<u>231,431</u>	<u>24,911</u>
Cash flows from investing activities			
Interest receivable and similar income	5	459	338
Purchase of tangible fixed assets	14	(7,042)	(67,330)
Sale of investments		-	13,348
Income from dividends	5	<u>-</u>	<u>94</u>
Net cash flows from investing activities		<u>(6,583)</u>	<u>(53,550)</u>
Net increase/(decrease) in cash and cash equivalents		224,848	(28,639)
Cash and cash equivalents at 1 October		<u>1,070,004</u>	<u>1,098,643</u>
Cash and cash equivalents at 30 September		<u><u>1,294,852</u></u>	<u><u>1,070,004</u></u>

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

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Notes to the Financial Statements for the Year Ended 30 September 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)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

Basis of preparation

The League Of Friends Of The Royal United Hospitals (Bath) meets the definition of a public benefit entity under FRS 102. The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

Going concern

The year has seen the charity emerge from the restrictions placed on it by the pandemic. This has brought about a significant improvement in the charity's financial position with increases in the turnover and profitability of the core retail businesses.

The trustees have reviewed the charity's operations and regularly monitor the charity's financial commitments, cash reserves, margins and overheads to ensure the future of the charity. Accordingly, they continue to adopt the going concern basis in preparing the report of the trustees and financial statements.

Income and endowments

Donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the Charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

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 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 those conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the granting 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.

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Notes to the Financial Statements for the Year Ended 30 September 2022 (continued)

Grants receivable

Grants are recognised when the Charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

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.

Charitable activities

Income generated from charitable activities is comprised of the fair value of consideration received for the sale of goods in the ordinary course of the Charity's activities. Income is shown net of value added tax, returns, rebates and discounts.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. 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.

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 Trustees meetings and reimbursed expenses.

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Notes to the Financial Statements for the Year Ended 30 September 2022 (continued)

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

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 £200 or more are initially recorded at historical 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	Depreciation method and rate
Cafe at B18 fittings	25% reducing balance
Friends shop fittings	25% reducing balance

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).

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the Charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

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Notes to the Financial Statements for the Year Ended 30 September 2022 (continued)

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade creditors are classified as current liabilities if the does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Fund structure

Unrestricted income funds are general funds that are available for use at the Trustees 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.

Pensions and other post retirement obligations

A defined contribution plan 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 as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Financial instruments

Classification

The charity only holds basic financial instruments as defined in FRS 102. The financial assets and liabilities of the charity and their measurement basis are as follows;

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

Cash at bank - is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

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Notes to the Financial Statements for the Year Ended 30 September 2022 (continued)

2 Income from donations and legacies

	Note	Unrestricted funds General £	Restricted funds £	2022 £	2021 £
Donations and legacies;					
Donations from individuals		10,903	-	10,903	14,761
Legacies		50,504	5,000	55,504	180,356
Street collection income		770	-	770	697
Grants, including capital grants;					
Government grants	10	-	-	-	48,168
		<u>62,177</u>	<u>5,000</u>	<u>67,177</u>	<u>243,982</u>

£62,177 (2021 - £76,726) of the income above was attributable to unrestricted funds and £5,000 (2021 - £167,256) attributable to restricted funds.

3 Income from charitable activities

	Unrestricted funds General £	2022 £	2021 £
Cafe at B18 takings	191,111	191,111	69,487
Friends shop takings	<u>418,500</u>	<u>418,500</u>	<u>319,567</u>
	<u>609,611</u>	<u>609,611</u>	<u>389,054</u>

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

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**Notes to the Financial Statements for the Year Ended 30 September 2022
(continued)**

4 Income from other trading activities

	Unrestricted funds General £	2021 £	2021 £
Local fundraising	735	735	1,441
	<u>735</u>	<u>735</u>	<u>1,441</u>

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

5 Investment income

	Unrestricted funds General £	2022 £	2021 £
Income from dividends;			
Dividends receivable from other listed investments	-	-	94
Interest receivable and similar income;			
Interest receivable on bank deposits	459	459	338
	<u>459</u>	<u>459</u>	<u>432</u>

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

6 Other income

	Unrestricted funds General £	2022 £	2021 £
Other income	280	280	-
	<u>280</u>	<u>280</u>	<u>-</u>

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Notes to the Financial Statements for the Year Ended 30 September 2022 (continued)

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

7 Expenditure on raising funds

a) Costs of generating donations and legacies

		Unrestricted funds General £	2022 £	2021 £
	Note			
Allocated support costs	9	27,926	27,926	8,176
Staff Costs		47,395	47,395	41,783
		<u>75,321</u>	<u>75,321</u>	<u>49,959</u>

b) Costs of trading activities

		Unrestricted funds General £	2022 £	2021 £
	Note			
Fundraising trading costs;				
Publicity		-	-	660
Other fundraising costs		649	649	615
		<u>649</u>	<u>649</u>	<u>1,275</u>

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

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Notes to the Financial Statements for the Year Ended 30 September 2022 (continued)

8 Expenditure on charitable activities

	Note	Unrestricted funds General £	2022 £	2021 £
Cafe at B18		97,970	97,970	32,775
Friends shop		259,760	259,760	205,707
Donations to the RUH		28,841	28,841	47,521
Support costs		4,724	4,724	4,833
Staff costs		111,369	111,369	144,871
Repayment of furlough		318	318	-
Bookkeeping fees		8,943	8,943	8,816
Governance costs		6,562	6,562	5,738
		<u>518,487</u>	<u>518,487</u>	<u>450,261</u>

	Activity undertaken directly £	Activity support costs £	2022 £	2021 £
Cafe at B18	155,807	3,091	158,898	122,909
Friends shop	322,552	8,196	330,748	279,832
Donations to RUH	28,841	-	28,841	47,520
	<u>507,200</u>	<u>11,287</u>	<u>518,487</u>	<u>450,261</u>

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

Included within the expenditure analysed above are governance costs of £6,562 (2021 - £5,738) which relate directly to charitable activities. See note 9 for further details.

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**Notes to the Financial Statements for the Year Ended 30 September 2022
(continued)**

9 Analysis of governance and support costs

Raising funds expenditure

Costs of generating donations and legacies

		Unrestricted funds		
	Basis of allocation	General £	2022 £	2021 £
Other resources expended - insurance, stationery etc.	A	27,926	27,926	8,176

Charitable activities expenditure

		Unrestricted funds		
	Basis of allocation	General £	2022 £	2021 £
Governance costs		6,562	6,562	5,738

Basis of allocation

Reference	Method of allocation
A	Directly attributable

Governance costs

	Unrestricted funds		
	General £	2022 £	2021 £
Independent examiner fees			
Examination of the financial statements	2,860	2,860	2,600
Other fees paid to examiners	3,427	3,427	3,100
Other governance costs	275	275	38
	6,562	6,562	5,738

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Notes to the Financial Statements for the Year Ended 30 September 2022 (continued)

10 Government grants

Any amounts received during the year in respect of grants were for the Coronavirus Job Retention Scheme and support given from local council. All amounts included are shown in note 2.

The amount of grants recognised in the financial statements was £- (2021 - £48,168).

11 Trustees remuneration and expenses

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

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

12 Staff costs

The aggregate payroll costs were as follows:

	2022	2021
	£	£
Staff costs during the year were:		
Wages and salaries	146,401	157,340
Social security costs	9,953	10,075
Pension costs	2,410	2,230
Compensation payments	-	17,009
	<u>158,764</u>	<u>186,654</u>

The monthly average number of persons (including senior management team) employed by the Charity during the year was as follows:

	2022	2021
	No	No
Staff	<u>9</u>	<u>11</u>
	2022	2021
	No	No
Cafe at B18	3	4
Friends shop	4	5
Administration/Governance	2	2
Total staff	<u>9</u>	<u>11</u>

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Notes to the Financial Statements for the Year Ended 30 September 2022 (continued)

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

The total employee benefits of the key management personnel of the Charity were £59,278 (2021 - £47,711).

13 Taxation

The Charity is a registered charity and is therefore exempt from taxation to the extent that such income or gains are applied exclusively for charitable purposes.

14 Tangible fixed assets

	Friends shop fittings £	Cafe at B18 fittings £	Total £
Cost			
At 1 October 2021	145,020	68,048	213,068
Additions	<u>3,455</u>	<u>3,587</u>	<u>7,042</u>
At 30 September 2022	<u>148,475</u>	<u>71,635</u>	<u>220,110</u>
Depreciation			
At 1 October 2021	76,893	59,128	136,021
Charge for the year	<u>17,895</u>	<u>2,664</u>	<u>20,559</u>
At 30 September 2022	<u>94,788</u>	<u>61,792</u>	<u>156,580</u>
Net book value			
At 30 September 2022	<u>53,687</u>	<u>9,843</u>	<u>63,530</u>
At 30 September 2021	<u>68,127</u>	<u>8,920</u>	<u>77,047</u>

The Friends shop additions are £3,455 because the final invoice to SMC phase 1 totalling £2,782 was included in previous years additions.

15 Stock

	2022 £	2021 £
Cafe at B18 stock	2,290	1,736
Friends shop stock	<u>8,915</u>	<u>9,743</u>
	<u>11,205</u>	<u>11,479</u>

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Notes to the Financial Statements for the Year Ended 30 September 2022 (continued)

16 Debtors

	2022	2021
	£	£
Trade debtors	381	108
Accrued income	63,760	170,931
VAT recoverable	-	9,349
	<u>64,141</u>	<u>180,388</u>

17 Cash and cash equivalents

	2022	2021
	£	£
Cash on hand	5,477	3,538
Cash at bank	1,263,540	312,902
Short-term deposits	25,835	753,564
	<u>1,294,852</u>	<u>1,070,004</u>

18 Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	17,537	14,481
Other taxation and social security	959	779
VAT liability	8,711	-
Other creditors	13,153	12,197
Accruals	5,948	7,846
	<u>46,308</u>	<u>35,303</u>

19 Creditors: amounts falling due after one year

	2022	2021
	£	£
Accruals	<u>150,000</u>	<u>150,000</u>

20 Commitments

Other financial commitments

The Trustees have approved a donation of £125,000 to the Breast Care Department of the Royal United Hospital (Bath) and funds of £124,842 were paid to the hospital in January 2023.

The Charity has an operating lease agreement with the Royal United Hospital Bath to pay an annual nominal rental payment of £200 including VAT. The expiry date of the lease is 31 October 2025.

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**Notes to the Financial Statements for the Year Ended 30 September 2022
(continued)**

21 Funds

	Balance at 1 October 2021 £	Incoming resources £	Resources expended £	Balance at 30 September 2022 £
Unrestricted funds				
<i>General</i>				
Unrestricted general fund	986,359	673,262	(594,457)	1,065,164
Total unrestricted funds	<u>986,359</u>	<u>673,262</u>	<u>(594,457)</u>	<u>1,065,164</u>
Restricted funds				
Breast Care Unit	167,256	-	-	167,256
Pediatric Oncology	-	5,000	-	5,000
Total restricted funds	<u>167,256</u>	<u>5,000</u>	<u>-</u>	<u>172,256</u>
Total funds	<u>1,153,615</u>	<u>678,262</u>	<u>(594,457)</u>	<u>1,237,420</u>

	Balance at 1 October 2020 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/ (losses) £	Balance at 30 September 2021 £
Unrestricted funds						
<i>General</i>						
Unrestricted general fund	870,805	467,653	(501,495)	150,000	(604)	986,359
<i>Designated</i>						
Designated fund	<u>150,000</u>	<u>-</u>	<u>-</u>	<u>(150,000)</u>	<u>-</u>	<u>-</u>
Total unrestricted funds	<u>1,020,805</u>	<u>467,653</u>	<u>(501,495)</u>	<u>-</u>	<u>(604)</u>	<u>986,359</u>
Restricted						
Breast Care Unit	<u>-</u>	<u>167,256</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>167,256</u>
Total funds	<u>1,020,805</u>	<u>634,909</u>	<u>(501,495)</u>	<u>-</u>	<u>(604)</u>	<u>1,153,615</u>

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Notes to the Financial Statements for the Year Ended 30 September 2022 (continued)

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

The Charity maintains a general fund which is unrestricted and represents funds which are expendable at the direction of the Trustees in furtherance of the objects of the Charity. Such funds may be held in order to finance both working capital and capital investment.

The designated fund represents funds which may assist with a shop re-fit.

The restricted funds are funds which the donor has specified for a specific purpose.

Breast Care Unit - expenditure is restricted to the Breast Care Unit. See page 5 and note 20.

Pediatric Oncology - expenditure is restricted to Pediatric Oncology.

22 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds at 30 September 2022 £
Tangible fixed assets	63,530	-	63,530
Current assets	1,197,942	172,256	1,370,198
Current liabilities	(46,308)	-	(46,308)
Creditors over 1 year	(150,000)	-	(150,000)
Total net assets	<u>1,065,164</u>	<u>172,256</u>	<u>1,237,420</u>

	Unrestricted funds General £	Restricted funds £	Total funds at 30 September 2021 £
Tangible fixed assets	77,047	-	77,047
Current assets	1,094,615	167,256	1,261,871
Current liabilities	(35,303)	-	(35,303)
Creditors over 1 year	(150,000)	-	(150,000)
Total net assets	<u>986,359</u>	<u>167,256</u>	<u>1,153,615</u>

23 Related party transactions

There were no related party transactions in the year except those mentioned in Note 11.