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**LEAGUE OF FRIENDS OF STROUD HOSPITAL AND RELATED HEALTH  
PROVISION**

**(Charitable Incorporated Organisation)**

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**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED 31 DECEMBER 2020**

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**LEAGUE OF FRIENDS OF STROUD HOSPITAL AND RELATED HEALTH PROV**  
**(Charitable Incorporated Organisation)**

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**LEAGUE OF FRIENDS OF STROUD HOSPITAL AND RELATED HEALTH PROV**  
**(Charitable Incorporated Organisation)**

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2020**

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<b>Trustees</b>	Dr G Horner, Vice Chair (appointed 6 January 2020) Dr R Walker, Chair (appointed 6 January 2020) Dr S Weir, GP Liaison (appointed 6 January 2020) Mr T Crook, Membership Secretary (appointed 6 January 2020) Mr W Abbott, Treasurer (appointed 6 January 2020) Mr N Hurst, Estates (appointed 6 January 2020) Mrs S Herschell, Secretary (appointed 6 January 2020)
<b>Charity registered number</b>	1187228
<b>Principal office</b>	Stroud General Hospital Trinity Road Stroud Gloucestershire GL5 2HY
<b>Independent auditors</b>	Azets Audit Services Pillar House 113/115 Bath Road Cheltenham Gloucestershire GL53 7LS
<b>Bankers</b>	NatWest Bank PLC Bank Buildings George Street Stroud Gloucestershire GL5 3DT
<b>Investment Managers</b>	Charles Stanley Group PLC 25 Luke St London EC2A 4AR

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**LEAGUE OF FRIENDS OF STROUD HOSPITAL AND RELATED HEALTH PROV**  
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**TRUSTEES' REPORT**  
**FOR THE PERIOD ENDED 31 DECEMBER 2020**

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The Trustees present their annual report together with the audited financial statements of the The League of Friends of Stroud Hospitals and Related Health Provision for the period 6 January 2020 to 31 December 2020. This is the first set of accounts since the charity was formed and the Trustees have elected to prepare accounts to 31 December as permitted by the Trust Deed.

The Charity also trades under the names The League of Friends of Stroud Hospitals.

**Objectives and activities**

**a. Policies and objectives**

The objective is to relieve patients, former patients and potential patients of the Stroud Hospitals and the Beeches Green Health Centre who are sick, convalescent, disabled, handicapped, infirm or in need of health care support and, generally, to support the charitable work of the said hospitals.

The remit of The League of Friends of the Stroud Hospitals and Related Health Provision covers Stroud General Hospital, Stroud Maternity Hospital, Weavers Croft and Park House, Beeches Green Health Centre and Redwood House, and Stroud Ambulance Station, to supplement the services provided by these centres for the health, welfare and comfort of the patients therein and others in the community.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

**b. Strategies for achieving objectives**

**NHS Trusts:** We continue to liaise with the various NHS Trusts involved in providing services to Stroud. The Chair, along with the Chairs of other local Leagues of Friends, has quarterly meetings with the Chief Officers of Gloucester Health and Care NHS Foundation Trust (GHCFT).

**c. Investment policy**

There are no restrictions on the charity's power to invest and as the charity sometimes needs to react very quickly on applications for direct charitable expenditure, it has a policy of keeping the restricted and designated funds in short-term deposits which can be accessed immediately. The Trustees have sought investments that will show capital appreciation in a medium term 5-10 year timescale as well as generating income. The Trustees' investment policy is to generate increases in overall value that exceed the portfolio.

The Trustees have retained Charles Stanley & Co to give professional investment advice and act on a discretionary basis. The trustees meet with them twice per annum to review investment performance and ensure holdings are in line with policy – which precludes investments in weapons, tobacco or alcohol. All investment changes are notified and explained to the Chair and Treasurer as they occur.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE PERIOD ENDED 31 DECEMBER 2020**

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**Objectives and activities (continued)**

**d. Grant-making policies**

The Trustees have outlined guidance for the League's grant-making policy:

1. To support existing and any new services within the two hospitals and related NHS services (for example Weavers Croft), and in particular support that improves the long-term viability of healthcare provision in those settings, in accordance with our constitutional aim of 'to relieve patients, former patients and potential patients of the Stroud Hospitals and related health provision who are sick, convalescent, disabled, handicapped, infirm or in need of financial assistance, and generally support the charitable work of the said Hospitals'
2. To support community-based health and general well-being services provided by registered charities or equivalent, and recognised agencies, as permitted within the Constitution, and in particular those which will complement the services provided by the hospitals or which relieve the demand upon the hospitals, be that for prevention, diagnostics or treatment. This is in accordance with the constitutional aims as stated:
  - To supplement the service provided by or in Stroud Hospitals for the health, welfare and comfort of the patients therein and other persons in the community
  - To provide or procure the provision of services, education, training, consultancy, advice, support, counselling, guidance, grants, scholarships, awards or materials in kind.
  - To co-operate and enter into any arrangements with other bodies, governments, authorities or any person, company or association.

**e. Fundraising**

The Charity does not undertake any significant fundraising activities due to the level of voluntary donations and legacies received on an ongoing basis.

**Achievements and performance**

**a. Main achievements of the Charity**

This Annual Review covers the last six months of 2020. Under normal circumstances the AGM would have been held in September 2020 to present the Annual Review and Accounts for 2019. However, the Covid pandemic led to postponement of the AGM in September 2020. We intend to hold the AGM during the Spring, making it closer in time to the period being reviewed, and better from an accounting perspective.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE PERIOD ENDED 31 DECEMBER 2020**

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**Achievements and performance (continued)**

**b. Review of activities**

After the initial flurry of activity in the early months of the pandemic, the latter part of the year was relatively quiet for the League of Friends, though not of course for the hospitals and related health services. They were still preoccupied with the challenges presented by Covid, so ironically there were fewer requests than usual from them for support. None the less, we purchased more than £14,000 of equipment during this period for Stroud Hospital.

By the end of the year we had spent less on the two hospitals and related services than we would in a 'normal' year. Any additional refurbishment and services that we would usually have supported had been put on hold. Consequently, the Trustees decided to allocate significant funds, totalling £140,296, to 14 local voluntary sector agencies that were delivering services in the community. These charities were under pressure from the increased demand for their services during the pandemic, additional costs arising to become Covid secure, yet with severe restrictions on their ability to fund-raise as normal.

The local charities which the League supported covered palliative care (Longfields £10,000), cancer treatment (Hope for Tomorrow £10,296), mental health support (Gloucester Counselling £1,000, The Listening Post £10,000, Sunflowers Suicide Support £3,000), elderly and dementia day care (Horsfall House £50,000, Uplands Care £10,000), youth services (The Door £3,000, Teens In Crisis £4,000,) special needs children and their families (Allsorts £5,000), the local food bank (Stroud Food Bank £12,000, The Long Table £12,000) and women's services (Stroud Women's Refuge £10,000). This was in line with both our Constitution's aims and objectives and our grant-making policy. We considered this an appropriate use of funds to help the health and well-being of the local community, particularly during the pandemic with the additional challenges it presented.

We were particularly keen to support Horsfall House at Minchinhampton as the League of Friends provides free respite care there normally. This service had to be suspended due to Covid, along with Horsfall's day care provision. This placed a financial burden upon them and, as we wished Horsfall to be able to continue their valuable work post-Covid, we granted them £50,000.

All of the local charities that received grants were delighted at this unexpected support just before Christmas and for each it made a significant difference at a time when both their services and finances were under pressure.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE PERIOD ENDED 31 DECEMBER 2020**

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**Achievements and performance (continued)**

**c. Suspension of normal League of Friends' activities**

**Horsfall House:** While the League's respite care accommodation continued as normal until March 2020, it was abruptly suspended once it became unsafe for it to continue, and remained so for the rest of 2020.

**Weavers Croft:** Social distancing measures severely impacted the delivery of both the Men's Shed and Gardening projects at a time when the need for mental health support was at its greatest.

**Stroud Maternity:** While continuing to deliver babies, albeit under new and onerous Covid restrictions, midwives could not continue with the pre- and post-natal yoga and singing groups. However, yoga was quickly transferred to online and the League of Friends was able to support this.

**Meetings:** Trustees meetings and GHCFT Chairs' meetings were conducted by Zoom and Members were updated on all activities via newsletters. The AGM was postponed until April 2021, also to be conducted via Zoom.

**Volunteers and Gardening Group:** Volunteering within the hospital remained suspended from March 2020 until the end of the year and beyond. However, a few gardening group members resumed their activities during the early summer, either working singly or one or two working socially distanced, tending the previous bulb planting, and maintaining the gardens.

**Events:** All normal events, such as the Christmas activities, fundraising events and the Annual Church service were cancelled.

**d. Dr Roy Lamb**

It is with sadness that we report the death of Dr Roy Lamb in July 2020. He devoted 57 years of service to Stroud Hospital, its League of Friends, and the local community. Among his many contributions have been the fundraising and subsequent building of the operating theatre, development of Jubilee and Princess Anne wards, and the League of Friends' financing of the ultrasound service. It is a remarkable achievement.

**e. The NHS**

Finally, and most importantly, this report would not be complete without recognition of the dedication, resilience and adaptability shown in the face of the most extreme and unimaginably challenging circumstances by all the staff of the two hospitals and Weavers Croft. This gratitude extends equally to the administrators of the two NHS Foundation Trusts and all the allied services, such as Ambulance and Primary Care. Locally and nationally we are indebted to you all.

**Financial review**

**a. Going concern**

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE PERIOD ENDED 31 DECEMBER 2020**

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**b. Reserves and Financial Management policy**

The Charitable Incorporated Organisation has free reserves in excess of £2m. The Trustees have identified two significant projects at the Hospital which may require around £950K of financial support from the Charity in the next few years. Existing support for Community based projects is close to £100K per annum. The Charity has little in the way of ongoing costs. Having given the matter appropriate consideration, the Trustees have concluded that Free Reserves of around £50K are adequate. In order to reach this level the Trustees intend to commit £300K per annum over the next 4-5 years to support local health provision including those based in the community. The majority of the Charity's Reserves are invested through Charles Stanley in order to preserve and grow their value. These investments will be liquidated in order to fund the intended charitable expenditure over the next few years.

**c. Principal risks and uncertainties**

The Trustees actively and regularly review the risks which the Charity faces. The Trustees believe that by having a clear strategy for spending reserves, use of an Investment Broker, ensuring appropriate controls exist over key financial systems and an open Trustee recruitment process, the key risks faced by the Charity have been mitigated appropriately.

**Structure, governance and management**

**a. Constitution**

League of Friends of Stroud Hospital and Related Health Provision is a registered charity, number 1187228, and is constituted under a Trust deed.

**b. Methods of appointment or election of Trustees**

The management of the Charity is the responsibility of the Trustees who are elected at the AGM or co-opted under the terms of the Trust deed. New Trustees receive a copy of the the Charity Constitution and are briefed on the activities of the charity by the Chair.

**c. Governing Document**

The League of Friends of Stroud Hospitals and the Health Centre was a charitable trust governed by the rules adopted on 14th March 1964, as amended and registered under the Charities' Act 1960, Charity Registration No. 230803. The charity has due regard for the Charity Commission's guidance on public benefit. A previous amendment to the Constitution was approved by members on 22nd September 2011, based upon the Constitution recommended by Attend. In late 2017, the Trustees decided, subject to Members' approval, that Stroud Hospitals League of Friends should become an 'incorporated' body. A motion was put forward at an EGM on 27th November 2019 to make this change. Information relating to this was circulated to Members and the motion was duly passed, enabling Stroud Hospitals League of Friends to become a CIO (Charitable Incorporated Organisation) alongside its charitable status. The new Constitution was based upon the existing one, with no significant changes other than to bring it in line with the requirements of a CIO. The CIO was formed on 6th January 2020 registered number 1187228 and the assets and liabilities of the original charity were transferred into the CIO n 1 July 2020.

The League is administered by an Executive Committee of up to ten people who usually meet approximately six times a year, in addition to three General Members Committee meetings and the AGM. All Executive Committee members are appointed at the Annual General Meeting. The General Members Committee represents local organisations, volunteers and the Events Committee.

**d. Privacy Policy**

In line with legislative requirements relating to data protection, the Trustees have implemented a Privacy Policy and have made the necessary arrangements to become compliant. This will be regularly reviewed.



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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE PERIOD ENDED 31 DECEMBER 2020**

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**Structure, governance and management (continued)**

**e. Relationships with other charities**

The League is an affiliated member of Attend. The Chair has regular meetings with the Chairs of other Leagues of Friends in Gloucestershire.

**Plans for future periods**

Following strategic reviews the Trustees have identified two significant potential projects at Stroud Hospital that would require the League to donate c£1m. Trustees are actively seeking opportunities to provide grants for health provision in the District with an intention to reduce reserves by a further £1.5m over the next 3-5 years.

**Statement of Trustees' responsibilities**

The Trustees 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).

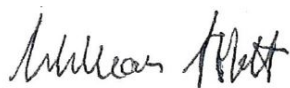
The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources, including its income and expenditure, for 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust deed. 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.

The trustees are responsible for the maintenance and integrity of the charity 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.

Approved by order of the members of the board of Trustees on 27 October 2021 and signed on their behalf by:



**Mr W Abbott**

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**LEAGUE OF FRIENDS OF STROUD HOSPITAL AND RELATED HEALTH PROV**  
**(Charitable Incorporated Organisation)**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LEAGUE OF FRIENDS OF STROUD  
HOSPITAL AND RELATED HEALTH PROV**

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## **Opinion**

We have audited the financial statements of League of Friends of Stroud Hospital and Related Health Provision (the 'charity') for the period ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows 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 Financial Reporting Standard 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 31 December 2020 and of its incoming resources and application of resources for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

## **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 Auditors' 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 United Kingdom, including the Financial Reporting Council'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**

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

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**LEAGUE OF FRIENDS OF STROUD HOSPITAL AND RELATED HEALTH PROV**  
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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LEAGUE OF FRIENDS OF STROUD  
HOSPITAL AND RELATED HEALTH PROV (CONTINUED)**

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**Other information**

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of trustees**

As explained more fully in the Trustees' Responsibilities Statement, the Trustees are responsible for the preparation of the financial statements which 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.

**Auditors' responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 Auditors' 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' Report.

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LEAGUE OF FRIENDS OF STROUD  
HOSPITAL AND RELATED HEALTH PROV (CONTINUED)**

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**Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we 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. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. 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.

**Other matters**

Your attention is drawn to the fact that the charity has prepared financial statements 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)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LEAGUE OF FRIENDS OF STROUD  
HOSPITAL AND RELATED HEALTH PROV (CONTINUED)**

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*Azets Audit services*

**Azets Audit Services**

Pillar House

113/115 Bath Road

Cheltenham

Gloucestershire

GL53 7LS

Date: 27 October 2021

Azets Audit Services are eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

**LEAGUE OF FRIENDS OF STROUD HOSPITAL AND RELATED HEALTH PROV**  
(Charitable Incorporated Organisation)

**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE PERIOD ENDED 31 DECEMBER 2020**

	Note	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £
<b>Income from:</b>				
Donations and legacies	2	208,247	2,328,834	2,537,081
Investments	3	-	26,681	26,681
		<u>208,247</u>	<u>2,355,515</u>	<u>2,563,762</u>
<b>Total income</b>				
<b>Expenditure on:</b>				
Raising funds		-	5,142	5,142
Charitable activities	5	-	176,162	176,162
		<u>-</u>	<u>181,304</u>	<u>181,304</u>
<b>Total expenditure</b>				
<b>Net income before net gains on investments</b>		<u>208,247</u>	<u>2,174,211</u>	<u>2,382,458</u>
Net gains on investments		-	130,754	130,754
		<u>208,247</u>	<u>2,304,965</u>	<u>2,513,212</u>
<b>Net movement in funds</b>				
<b>Reconciliation of funds:</b>				
Net movement in funds		<u>208,247</u>	<u>2,304,965</u>	<u>2,513,212</u>
<b>Total funds carried forward</b>		<u>208,247</u>	<u>2,304,965</u>	<u>2,513,212</u>

The Statement of Financial Activities includes all gains and losses recognised in the period.

The notes on pages 15 to 24 form part of these financial statements.

**LEAGUE OF FRIENDS OF STROUD HOSPITAL AND RELATED HEALTH PROV**  
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**BALANCE SHEET**  
**AS AT 31 DECEMBER 2020**

	Note	2020 £
<b>Fixed assets</b>		
Investments	11	1,778,975
		<u>1,778,975</u>
<b>Current assets</b>		
Stocks	12	262
Debtors	13	260,494
Cash at bank and in hand		479,690
		<u>740,446</u>
Creditors: amounts falling due within one year	14	(6,209)
		<u>2,513,212</u>
<b>Net current assets</b>		<u>2,513,212</u>
<b>Total net assets</b>		<u><u>2,513,212</u></u>
<b>Charity funds</b>		
Restricted funds	15	208,247
Unrestricted funds	15	2,304,965
		<u>2,513,212</u>
<b>Total funds</b>		<u><u>2,513,212</u></u>

The financial statements were approved and authorised for issue by the Trustees on 27th October 2021 and signed on their behalf by:

**A R Crook**

**Mr W Abbott**

The notes on pages 15 to 24 form part of these financial statements.

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**STATEMENT OF CASH FLOWS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2020**

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	2020 £
<b>Cash flows from operating activities</b>	
Net cash used in operating activities	479,690
<b>Cash flows from investing activities</b>	
Net cash provided by investing activities	-
<b>Cash flows from financing activities</b>	
Net cash provided by financing activities	-
<b>Change in cash and cash equivalents in the period</b>	479,690
Cash and cash equivalents at the beginning of the period	-
<b>Cash and cash equivalents at the end of the period</b>	479,690

The notes on pages 15 to 24 form part of these financial statements



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**LEAGUE OF FRIENDS OF STROUD HOSPITAL AND RELATED HEALTH PROV**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2020**

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**1. Accounting policies**

**1.1 Basis of preparation of financial statements**

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

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

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

**1.2 Going concern**

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist.

**1.3 Income**

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

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Charity, can be reliably measured.

**1.4 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**1. Accounting policies (continued)**

**1.4 Expenditure (continued)**

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

Grants payable are charged in the period when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the period end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

**1.5 Interest receivable**

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 institution with whom the funds are deposited.

**1.6 Income from Investments**

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

**1.7 Income from donated services & facilities**

Donated services or facilities are recognised when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Charity is not recognised. Refer to the Trustees' Report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

**1.8 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.

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**1. Accounting policies (continued)**

**1.9 Investments**

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of Financial Activities.

**1.10 Stocks**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

**1.11 Debtors**

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**1.12 Cash at bank and in hand**

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**1.13 Liabilities and provisions**

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

**1.14 Financial instruments**

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

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**1. Accounting policies (continued)**

**1.15 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

**2. Income from donations and legacies**

	<b>Restricted funds 2020 £</b>	<b>Unrestricted funds 2020 £</b>	<b>Total funds 2020 £</b>
Donations Received- other	208,247	2,318,834	<b>2,527,081</b>
Legacies	-	10,000	<b>10,000</b>
	<u>208,247</u>	<u>2,328,834</u>	<u><b>2,537,081</b></u>

Following the formation of the charitable incorporated organisation on 6th January 2020, the assets and liabilities of The League of Friends of Stroud Hospitals and the Health Centre, charity number 230803, were transferred to the charitable incorporated organisation on 1 July 2020.

**3. Investment income**

	<b>Unrestricted funds 2020 £</b>	<b>Total funds 2020 £</b>
Investment Income	25,337	<b>25,337</b>
National Savings Income Bonds	1,344	<b>1,344</b>
	<u>26,681</u>	<u><b>26,681</b></u>

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**4. Analysis of grants**

	<b>Grants to Institutions 2020 £</b>	<b>Total funds 2020 £</b>
Grants	140,296	<b>140,296</b>

**5. Analysis of expenditure on charitable activities**

**Summary by fund type**

	<b>Unrestricted funds 2020 £</b>	<b>Total funds 2020 £</b>
Staff Salaries	3,650	<b>3,650</b>
Grants	140,296	<b>140,296</b>
Telephone and other office expenses	750	<b>750</b>
Equipment and Amenities	28,073	<b>28,073</b>
Bank charges	105	<b>105</b>
Governance costs	288	<b>288</b>
Audit fee	3,000	<b>3,000</b>
	<u>176,162</u>	<u><b>176,162</b></u>

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**6. Analysis of expenditure by activities**

	Activities undertaken directly 2020 £	Grant funding of activities 2020 £	Support costs 2020 £	Total funds 2020 £
Staff Salaries	-	-	3,650	3,650
Grants	-	140,296	-	140,296
Telephone and other office expenses	-	-	750	750
Equipment and Amenities	28,073	-	-	28,073
Bank charges	-	-	105	105
Governance costs	-	-	288	288
Audit fee	-	-	3,000	3,000
	<u>28,073</u>	<u>140,296</u>	<u>7,793</u>	<u>176,162</u>

The total of Governance costs in the period was £3,288

**7. Auditors' remuneration**

	2020 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	<u>3,000</u>

**8. Staff costs**

	2020 £
Wages and salaries	<u>3,650</u>
	<u>3,650</u>

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**8. Staff costs (continued)**

The average number of persons employed by the Charity during the period was as follows:

	<b>2020 No.</b>
Administration	<b>1</b>

No employee received remuneration amounting to more than £60,000 in either year.

**9. Trustees' remuneration and expenses**

During the period, no Trustees received any remuneration or other benefits.

During the period ended 31 December 2020, no Trustee expenses have been incurred.

**10. Related party transactions**

There are no related party transactions requiring disclosure.

**11. Fixed asset investments**

	<b>Listed investments £</b>
<b>Cost or valuation</b>	
Additions	<b>1,948,221</b>
Disposals	<b>(300,000)</b>
Revaluations	<b>130,754</b>
At 31 December 2020	<b>1,778,975</b>
<b>Net book value</b>	
At 31 December 2020	<b>1,778,975</b>

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**12. Stocks**

	<b>2020</b>
	<b>£</b>
Finished goods and goods for resale	<b>262</b>
	<b>=====</b>

**13. Debtors**

	<b>2020</b>
	<b>£</b>
<b>Due within one year</b>	
Prepayments and accrued income	<b>260,494</b>
	<b>=====</b>
	<b>260,494</b>
	<b>=====</b>

**14. Creditors: Amounts falling due within one year**

	<b>2020</b>
	<b>£</b>
Accruals	<b>6,209</b>
	<b>=====</b>



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**15. Statement of funds**

**Statement of funds - current period**

	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2020 £
<b>Unrestricted funds</b>				
General Funds - all funds	2,355,515	(181,304)	130,754	2,304,965
<b>Restricted funds</b>				
Nailsworth Community Nurses	5,225	-	-	5,225
Dementia Care at Weavers Croft	5,000	-	-	5,000
Medical Equipment Fund	196,022	-	-	196,022
Minor Injuries Unit	2,000	-	-	2,000
	208,247	-	-	208,247
<b>Total of funds</b>	2,563,762	(181,304)	130,754	2,513,212

**Nailsworth Community Nurses Fund:** To support the work of the Community Nurses operating from Nailsworth.

**Dementia Care at Weavers Croft Fund:** To provide support for dementia care at Weavers Croft Unit.

**Medical Equipment Fund:** A fund to be used to provide medical equipment.

**Minor Injuries Unit Fund:** To provide support for the minor injuries unit.

**16. Summary of funds**

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**NOTES TO THE FINANCIAL STATEMENTS  
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**16. Summary of funds (continued)**

**Summary of funds - current period**

	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2020 £
General funds	2,355,515	(181,304)	130,754	2,304,965
Restricted funds	208,247	-	-	208,247
	<u>2,563,762</u>	<u>(181,304)</u>	<u>130,754</u>	<u>2,513,212</u>

**17. Analysis of net assets between funds**

**Analysis of net assets between funds - current period**

	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £
Fixed asset investments	-	1,778,975	1,778,975
Current assets	208,247	532,199	740,446
Creditors due within one year	-	(6,209)	(6,209)
<b>Total</b>	<u>208,247</u>	<u>2,304,965</u>	<u>2,513,212</u>