

EASTBRIDGE HOSPITAL (OR ST THOMAS)

England & Wales · Charity number 213319

Details

Status Registered

Legal form Other

Registered 1962-11-29

Register [View on the Charity Commission register](#)

Contact

Address Eastbridge Hospital
25
High Street
Canterbury

Phone 01227761272

Email clerk@eastbridgehospital.org.uk

Website www.eastbridgehospital.org.uk

Activities

Objects: THE PROVISION AND MAINTENANCE OF ALSMHOUSE ACCOMODATION FOR USE BY RESIDENTS UNDER SUCH TERMS AS CONSIDERED APPROPRIATE BY THE COUNCIL OF MANAGEMENT, AND THE PROVISION OF EDUCATIONAL GRANTS AT THE DISCRETION OF THE SAID COUNCIL (FOR FURTHER DETAILS SEE CLAUSE 2 OF ORDINANCE OF 18 NOVEMBER 1992)

Activities: Almshouse foundation with premises open to the public and having also an educational mandate. Includes Franciscan gardens (greyfriars), the site of the first Franciscan Monastery in England. Eastbridge Hospital is an Anglican foundation with chapels in regular use.

Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations, Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services
- **What:** Education/training, Accommodation/housing, Religious Activities, Environment/conservation/heritage
- **Who:** Elderly/old People, Other Defined Groups, The General Public/mankind

Geography

- **Area of benefit:** CANTERBURY
- Kent

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£244,657	£902,308	-	-
2023-12-31	£342,382	£5,244,048	£5,648,293	11
2022-12-31	£337,342	£785,836	-	-
2021-12-31	£426,157	£480,380	-	-
2020-12-31	£387,585	£442,268	-	-

Trustees

Name	Role	Appointed
Nigel Aman Fletcher-Jones	Chair	2024-06-14
Adesola Osinaike		2025-04-29
CHRISTOPHER ROBINSON		2013-09-26
Dr Sheila Mary Sweetinburgh		2025-07-01
Stephen Athanasiou		2024-12-12
THE VENERABLE WILLIAM JONATHAN ADAM		2018-03-27
The Rev'd Dr Perry Butler		2016-11-01

EASTBRIDGE HOSPITAL (OR ST THOMAS)

England & Wales - Charity number 213319

Accounts

Charity Registration No. 213319

EASTBRIDGE HOSPITAL
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

EASTBRIDGE HOSPITAL

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EASTBRIDGE HOSPITAL

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Mr Christopher Robinson (Chairman)
The Reverend Dr Perry Butler
Dr Nigel Fletcher-Jones (Appointed 14 June 2024)
Mr Robin Joy (Resigned 22 May 2025)
Mrs Tracy Perry-Stere (Resigned 7 June 2024)
Mr Nicholas Rooke (Resigned 31 December 2024)
The Venerable Archdeacon of Canterbury (Ex Officio)
Mr Stephen Athanasiou (Appointed 12 December 2024)

Charity number

213319

Principal office

25 High Street, Canterbury, Kent, CT1 2BD

Senior management team

Louise Knight – Clerk and Receiver

Independent auditors

Azets Audit Services
32-33 Watling Street, Canterbury, Kent, CT1 2AN

Bankers

National Westminster Bank plc
11 The Parade, Canterbury, Kent CT1 2SG

Solicitors

Furley Page
39 St Margaret's Street, Canterbury, Kent, CT1 2TX

Investment Advisers

Sarasin & Partners LLP
Juxon House, 100 St Pauls Churchyard, London, EC4M 8BU

Architects

Clague Architects
62, Burgate
Canterbury Kent CT1 2BH

EASTBRIDGE HOSPITAL

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

The Trustees present their annual report together with the audited financial statements of the Charity for the year ended 31 December 2024. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The full name of the Charity is the Hospital of St Thomas the Martyr Eastbridge in the City of Canterbury.

OBJECTIVES AND ACTIVITIES

The Charity operates under an Ordinance of His Grace the Archbishop of Canterbury dated February 11th 2016 which updates an original ordinance by John Whitgift, Archbishop of Canterbury dated 20th July 1584.

The main objects of the charity are:

- Maintain the fabric of the Hospital and its grounds.
- To provide accommodation for those in financial need or suffering hardship.
- Contribute to the Eastbridge Parker Exhibitions at the College of Corpus Christi, Cambridge.
- Contribute to the Eastbridge Award Scheme to support local schools.
- Make provision for pilgrims.

The Hospital and its grounds

Eastbridge Hospital is not a hospital as the word is currently understood. It is a Grade I listed building in the centre of Canterbury, spanning the Great Stour River. The building dates from 1190 and was built as a place of hospitality for pilgrims visiting the tomb of St Thomas Becket, who was murdered in the cathedral in 1170. The building now includes two chapels, an undercroft and refectory as well as 8 self-contained flats.

The charity also owns the adjacent Franciscan Gardens, where the first Franciscan Friars settled in the UK in 1224. The site covers just under 2 acres of land bisected by the Great Stour River in the centre of the city. It is a Scheduled Ancient Monument and contains the Greyfriars Chapel, Grade I listed, and the only remaining building from the large Franciscan friary that occupied the area until the Reformation. The site also contains the Grade II listed wall to the Northeast known as the Lovelace Wall. The gardens are open to visitors and are planted to reflect their history with suitable varieties of herbs, flowers and shrubs as well as having a large wildflower meadow.

EASTBRIDGE HOSPITAL

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2024

Our Objective:

To secure the long-term continuation of the charity by improving its effectiveness and income from a variety of sources

In over 800 years of existence, Eastbridge has undergone many changes. Its continued existence is due to its ability to adapt and meet the needs of the times, from welcoming pilgrims, housing the poor, becoming a school, and later an almshouse. This year, the Trustees have carefully reviewed how, in a changing society with changing needs, the aims of the charity might best be fulfilled.

As far as the almshouse accommodation is concerned, it became clear that, with increased life expectancy, elderly residents who become frail and have mobility or other health issues could not live independently and safely in the flats in the medieval hospital building. The listed status of the building prevents the modifications necessary to meet modern care standards.

The Trustees last year agreed to a moratorium on the admission of new indwellers. Other avenues are being explored within Canterbury to create new more suitable accommodation.

It is also clear that, to maintain these important heritage buildings, the charity must be financially sustainable. This will enable their wider use by the community and the public and whilst staying within the objects of the charity, will require a change in priorities.

In setting these new objectives the Trustees have carefully considered the Charity Commission's public benefit guidance.

The Trustees accept that achieving these new aims will take time and for this year and the next few years will include:

- Reviewing the use of the Hospital's buildings, possibly by reverting to the charity's original purpose and creating accommodation for visiting pilgrims, both religious and secular
- Improving the Franciscan Gardens site and developing it as another heritage site for visitors to the city whilst encouraging use by the local community and for educational uses.
- Working with other almshouse charities to find alternative ways of meeting the aims to provide accommodation.
- Raising money from grants and other sources to enable the buildings to be restored and preserved for future generations.
- To remain involved in education by continuing to support the Parker Exhibition at Corpus Christi, Cambridge, developing the existing relationship with local schools by giving grants and enabling school visits, and exploring the opportunity of working with conservation training bodies through the repair of the historic buildings.

ACHIEVEMENTS AND PERFORMANCE

During 2024, much time was given to discussing the significant changes needed to the charity to meet future needs and to define and agree the objectives stated above. Mrs Tracy Perry Stere and Mr Nicholas Rooke resigned from the board and the Trustees would like to express their thanks for their valuable contribution both made during their tenure.

Residents

Due to declining health, one indweller moved to assisted living, one moved into a care home and the remaining indweller of whom is a Ukrainian refugee remains at Eastbridge Hospital.

EASTBRIDGE HOSPITAL

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2024

Education

Eastbridge has, since the 16th century, contributed towards the Matthew Parker exhibitions at Corpus Christi College Cambridge. Originally for King's School scholars, in 1998 the scheme was revised to benefit undergraduates coming from any school within the city of Canterbury. Where no such scholars meet those criteria, the college may select its own candidates for the award, favouring candidates from backgrounds with a low income or with other needs.

The Charity also maintains the Eastbridge Award scheme for the benefit of state schools within the catchment area served by Canterbury City Council. In 2024 grants were made local schools for specific projects.

Developments and Maintenance – Major Projects

During the course of the year, urgent works were required, during which time the Eastbridge building was closed to the public. In conjunction with the work to the refectory the following were also carried out in 2024:

- Upgrading of Fireproofing throughout the whole building.
- Upgrading of Fireproofing to electrical cables throughout the whole building.
- Upgrading of the Fire Alarm throughout the whole building.
- Urgent repair works to the Upper Chapel Roof.
- Urgent repairs works to repair crack in wall of Upper Chapel.
- Renovation works to 6A.
- Urgent repair works to Assisi Cottage to address the cracking internally.
- Repair works to the riverwall by 6A.
- Repairs to lower chapel due to damp ingress.
- Repairs to riverwall by Greyfriars Chapel.
- Repointing and retying of wall to rear of Eastbridge Hospital.
- Maintenance and replanting in the Franciscan Gardens.

Opening to the public and community events

During 2024, Eastbridge Hospital had to remain closed due to the on-going repairs and maintenance that was required throughout the whole building.

As in previous years Eastbridge has been visited by many individual pilgrims, who are given a special welcome. Volunteer guides for both the Hospital building and the Gardens have been recruited and provide valuable support to staff members.

Environmental considerations

The Great Stour River flows under the Hospital building and through the Franciscan Gardens and the charity therefore works closely with Canterbury Council and the Environment Agency to further its vision of “*a river and riverside environment managed to promote a rich diversity of wildlife*” and “*highlights of past history brought to life*”

Actions this year:

- Planning in conjunction with the Environment Agency to soften the riverbank in part of the Franciscan Gardens to encourage more biodiversity

Change to a CIO

Trustees have agreed that a change to CIO status would improve the effectiveness and administration of the charity. A new CIO – Eastbridge Hospital - No 1177727 has already been created and all its assets, liabilities and operations will transfer to the CIO on 31 December 2025.

EASTBRIDGE HOSPITAL

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

FINANCIAL REVIEW

The financial statements show net expenditure for the year. The principal sources of income are rental income from the commercial and residential properties owned by the charity. The income from paying visitors to both the Eastbridge Hospital itself and the Franciscan Gardens is also important, one which we hope will grow as the sites develop and become better known to local people and tourists.

Income for the year totalled £244,657 (2023: £342,382).

Expenditure of £902,308 (2023: £5,244,048) for the year was as follows:

- Repairs, maintenance and associated architect's fees in relation to properties (which included major projects and maintenance as detailed on page 4) - £290,785 (2023 - £323,783)
- Impairment of assets - £nil (2023 - £4,512,320);
- Charitable expenditure (not including the above) - £611,523 (2023 - £407,945)

The net deficit result for the year after gains / (losses) on investments was a deficit of £267,558 (2023: deficit of £4,890,691).

Reserves policy

The Trustees have agreed that reserves of unrestricted funds should be maintained at a level to cover at least 12 months core expenditure. This would ensure that if the charity covered any unforeseen temporary drop in rental income. The Trustees have reviewed the budgets for 2025 and wish to ensure that £250,000 to £300,000 (2023: £250,000 - £300,000) is maintained for that purpose.

The balance of unrestricted general funds at 31 December 2024 were £246,462 (2023: £284,585).

Designated funds at 31 December 2024 were £5,133,970 (2023: £5,363,405) and are detailed in note 18 on page 25.

Restricted funds at 31 December 2024 were £303 (2023: £303) and are detailed in note 19 on page 25.

Total funds of the charity at 31 December 2024 were £5,380,735 (2023: £5,648,293).

Going concern

On 31 December 2025, the activities, assets and liabilities of the charity will be transferred to Eastbridge Hospital (CIO, charity number 1177727).

After that day and before October 2026 it is likely that the legal entity known as Eastbridge Hospital (Charity number 213319 will cease to exist and for this reason the Trustees consider the charity is no longer a going concern.

EASTBRIDGE HOSPITAL

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

Risk management

The Trustees are responsible for the overseeing of the risks faced by the Charity. Risks are identified, assessed and controls established throughout the year. A formal review of the charity's risk management processes is undertaken on an annual basis. Risk is managed under the headings of financial sustainability, visitor safety, residents' welfare, employment, events, community access, and Cyber risk.

The main risks that the Trustees have identified and the plans to manage those risks are:

Reputation

Success is built on the charity's reputation for community involvement and the well-being of visitors and staff. We manage this risk through safeguarding policies, staff recruitment policies, pastoral support and active identification and resolution of health and safety related issues.

Financial

Our ability to continue is reliant on income and the ability to pay bills as they fall due. This risk is mitigated by the effective management of the charity's properties, investments and growing the income from tourism. Procedures are designed to minimise the risk of theft, fraud, and Cyber risk.

Buildings

The maintenance of the historic fabric is essential to the charity's operations. This year has shown up significant areas of lack of maintenance in the past which are now being rectified. There is now in place a programme of regular inspection, timely intervention and repairs to prevent any deterioration. Fire and Flood risks are mitigated by suitable alarm systems and insurance.

People

The charity's effectiveness depends on a diverse board of trustees and the abilities and motivation of staff. Our staff policies are designed to support this.

Through the risk management processes set up for the Charity, the Trustees are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

Investment policy and performance

Investment activities are managed in line with the requirements of the Trustee Act 2000. The Trustees have appointed Sarasin & Partners LLP as investment manager. The investment objective is to achieve long-term capital and income growth through investment in the Sarasin Endowments Fund, which adopts an ethical policy. The risk profile of the mandate is managed within a range of 4 – 6 on a scale of 1 – 10.

The investment targets are to preserve the real value of investments against inflation and to have a yield of 3%. Funds not invested are held on deposit to earn interest.

The charity's portfolio of commercial and residential properties was reviewed and it was decided to dispose of the property at 55 St Peter's Street, Canterbury Kent CT1 2BE for the sale price of £385,000.

EASTBRIDGE HOSPITAL

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

PLANS FOR FUTURE PERIODS

Future plans for the charity were significantly delayed in 2024 by on going urgent repairs which were required to the Eastbridge building and Franciscan Gardens. Because of these, the Hospital building was closed to the public. The significant cost of these repairs and their urgency meant that we were not able to get outside funding and the Trustees were obliged to use the Charity's reserves.

It is expected that repairs will not be completed as hoped, due to financial implications and whilst the Trustees planned to open the Eastbridge Hospital to the general public, this will not be possible. The pursuit of grants will continue for further restoration of the Hospital building and also for the Lovelace Wall and the Vinery.

The restoration and continuous upkeep of our two important heritage sites is a priority.

Our plans will be partly financed from our income and from our reserves, but to cover the full cost of the very extensive restoration work that needs to be done, the charity will be applying for grants.

Canterbury sits at the crossroads of several historic pilgrimage routes including the London to Canterbury route that inspired Chaucer and the Winchester to Canterbury route. It is also the start point of the Via Francigena, the historic route of over 2000km to Rome. This links to the project to create accommodation for pilgrims, curating the contents of the Eastbridge Hospital building to better tell its story, thus effectively creating a Museum of Pilgrimage.

Increasing the footfall of visitors including tourists, is an important objective not only for the charity but for the economic sustainability of the City of Canterbury itself. We work closely with the local authority and other organisations to achieve this.

The Franciscan Gardens are a significant green space in the centre of the city of Canterbury, with the river flowing through them, which make them an important link in wildlife conservation in the area. We work closely with the local authority and the Environment Agency and other organisations to ensure that their development is based on best practice.

Wider environmental issues are also a high priority, and we are seeking for ways to make our buildings more energy efficient. We also are working to make more efficient use of water and supporting local recycling initiatives.

All these activities lead to educational opportunities in understanding heritage, and training in conservation and garden management skills.

On 31 December 2025, the activities, assets and liabilities of the charity will be transferred to Eastbridge Hospital (CIO, charity number 1177727).

EASTBRIDGE HOSPITAL

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

STRUCTURE GOVERNANCE AND MANAGEMENT

Constitution

The governing instrument of the Charity is an Ordinance of His Grace the Archbishop of Canterbury dated the 11th February 2016. The Eastbridge is registered as a charity under number 213319.

The Charity is restricted in the way it can operate to the extent that it is governed by the aforesaid ordinances and by charity law.

Method of appointment of Trustees

Trustees form the Council of Management and, with the exception of the Archdeacon of Canterbury whose appointment is ex officio, are appointed by the patron, the Archbishop of Canterbury, and hold office for five years. They may be reappointed to serve further terms. Trustees elect annually from their members a chairman. Trustees are selected wherever possible for their knowledge and expertise to further of the objects of the Charity.

Induction and training of Trustees

The Trustee body requires breadth and depth of experience to carry out its duties effectively and efficiently. When recruiting new trustees, the important attributes are a passion for the work of our Charity, an understanding of its role in the community, and in the conservation of our heritage. Where possible, the Trustees consider that the skills and experience of the Board should ideally include trustees with experience in one or more of: legal issues, finance and accounting, architecture and conservation of heritage buildings, property management, and senior management or business experience.

The current Trustee body meets this requirement.

The Trustees are appointed for a five-year renewable term by the Archbishop of Canterbury. In addition, the Archdeacon of Canterbury is an Ex-Officio Trustee.

Organisational structure and decision-making

The Trustees are responsible for the overall management, general policy of the charity and control of the Eastbridge Hospital and meet monthly. The work of implementing most of their policies is carried out by the Clerk and Receiver and individual trustees who lead on the topics close to their professional experience.

All trustees give of their time freely and no remuneration or expenses were paid in the year. No Trustee or person connected with a Trustee received any benefit.

EASTBRIDGE HOSPITAL

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

TRUSTEES RESPONSIBILITIES STATEMENT

Trustees are responsible for preparing this report and the financial statements in accordance with applicable law and United Kingdom accounting standards.

The law applicable to charities in England and Wales 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 those resources 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 judgments and estimates that are reasonable and prudent;
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Charity will continue in operation

The Trustees are responsible for keeping 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 acts and charity accounting and reporting regulations together also with the provisions of the Eastbridge Ordinance. Trustees are also responsible for safeguarding the assets of the Charity and taking reasonable steps to prevent and detect fraud and other irregularities.

This report was approved by the Trustees and signed on their behalf by:-

Mr Christopher Robinson
Trustee

Date: 20 October 2025

EASTBRIDGE HOSPITAL

INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

Opinion

We have audited the financial statements of Eastbridge Hospital (the 'charity') for the year ended 31 December 2024 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. 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 2024 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 SORP 2019.

Basis for opinion

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

Conclusions relating to going concern

We draw your attention to note 1.b in the financial statements, which indicates that the financial statements have been prepared on the basis that the charity is no longer a going concern as the charity will transfer its entire activities, assets and liabilities to Eastbridge Hospital (CIO charity number 1177727) on 31 December 2025. Our opinion is not modified in this respect.

Other information

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

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

We have nothing to report in this regard.

EASTBRIDGE HOSPITAL

INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

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 financial statements is inconsistent in any material respect with the trustees' report;
- sufficient accounting records have not been kept;
- 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 and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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. This description forms part of our auditor's report.

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.

EASTBRIDGE HOSPITAL

INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

Extent to which the audit was considered capable of detecting irregularities, including fraud (continued)

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

- Enquiry of senior leadership, Trustees 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 company 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 recognition of grant income and the allocation of expenditure to funds;
- 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 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.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Michelle Wilkes FCA (Senior Statutory Auditor)

For and on behalf of Azets Audit Services
32 – 33 Watling Street
Canterbury
Kent
CT1 2AN

Date: 27 October 2025

EASTBRIDGE HOSPITAL
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
For the year ended 31 December 2024

		Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Total 2023 £
	Notes				
Income from:					
Donations		3,312	-	3,312	10,133
Charitable activities	2	71,138	-	71,138	124,447
Investments	3	166,285	-	166,285	188,224
Other income		3,922	-	3,922	19,578
Total income		244,657	-	244,657	342,382
Expenditure on:					
Raising funds		113,235	-	113,235	96,079
Charitable activities		789,073	-	789,073	635,649
Impairment		-	-	-	4,512,320
Total expenditure	4	902,308	-	902,308	5,244,048
Net deficit before gains/(losses) on investments		(657,651)	-	(657,651)	(4,901,666)
Net gains/(losses) on investments	11, 12	390,093	-	390,093	10,975
Net movement in funds		(267,558)	-	(267,558)	(4,890,691)
Fund balances					
At 1 January 2024		5,647,990	303	5,648,293	10,538,984
At 31 December 2024		5,380,432	303	5,380,735	5,648,293

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from discontinued activities.

EASTBRIDGE HOSPITAL
COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
For the year ended 31 December 2024

		Unrestricted funds 2023 £	Restricted funds 2023 £	Endowment funds 2023 £	Total 2023 £
Year ended 31 December 2023	Notes				
Income from:					
Donations and grants		4,133	6,000	-	10,133
Charitable activities	2	124,447	-	-	124,447
Investments	3	188,224	-	-	188,224
Other income		19,578	-	-	19,578
Total income		336,382	6,000	-	342,382
Expenditure on:					
Raising funds		96,079	-	-	96,079
Charitable activities		546,175	5,697	83,777	635,649
Impairment		491,004	-	4,021,316	4,512,320
Total expenditure	4	1,133,258	5,697	4,105,093	5,244,048
Net deficit before gains/(losses) on		(796,876)	303	(4,105,093)	(4,901,666)
Net gains/(losses) on investments	11, 12	10,975	-	-	10,975
Net movement in funds		(785,901)	303	(4,105,093)	(4,890,691)
Fund balances					
At 1 January 2023		6,433,891	-	4,105,093	10,538,984
At 31 December 2023		5,647,990	303	-	5,648,293

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

EASTBRIDGE HOSPITAL
BALANCE SHEET
As at 31 December 2024

	Notes	2024 £	2024 £	2023 £	2023 £
Fixed assets					
Tangible assets	9		1,297,604		1,326,841
Heritage assets	10		72,438		72,438
Investment properties	11		3,210,000		3,240,000
Investments	12		553,928		724,126
			5,133,970		5,363,405
Current assets					
Stock - Finished goods for resale		6,923		7,378	
Debtors	13	29,494		30,340	
Cash at bank and in hand		286,379		373,900	
		322,796		411,618	
Creditors: amounts falling due within one year	14	(76,031)		(126,730)	
Net current assets			246,765		284,888
Net assets			5,380,735		5,648,293
Funds					
Endowment funds	17		-		-
Restricted funds	19		303		303
<u>Unrestricted funds:</u>					
Designated funds	18	5,133,970		5,363,405	
General unrestricted fund		246,462		284,585	
			5,380,432		5,647,990
	23		5,380,735		5,648,293

The financial statements were approved by the Trustees on 20 October 2025 and signed on their behalf by:

Mr Christopher Robinson
Trustee

EASTBRIDGE HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

I. Accounting policies

a. Basis of preparation

The charity constitutes a public benefit entity as defined by FRS 102. 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

b. Going concern

On 31 December 2025, the activities, assets and liabilities of the charity will be transferred to Eastbridge Hospital (CIO, charity number 1177727).

After that day and before October 2026 it is likely that the legal entity known as Eastbridge Hospital (Charity number 213319) will cease to exist and for this reason the Trustees consider the charity is no longer a going concern.

c. 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.

Legacies

These are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Accommodation

Contribution towards maintenance of the flats is based on accommodation of the flats and is recognised when the accommodation is occupied.

Hospital Buildings

Donations and entrance fees are collected daily and are recognised upon receipt.

Investment property Rental Income

Invoices are raised quarterly based on occupied properties in accordance with the assigned leases. Income is recognised for the periods in which the properties are let.

Investment Income

Investment income from the managed portfolio is recognised upon receipt.

EASTBRIDGE HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

I. Accounting policies (continued)

d. Expenditure

Expenditure, all of which is inclusive of irrecoverable VAT, 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.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements. Costs of raising funds are costs incurred in attracting voluntary income.

Termination payment liabilities are recognised on communication of intention to pay and when quantifiable. Such payments are accounted for as staff costs.

Grants payable are charged in the year 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.

Support costs are allocated between the cost of raising funds, Accommodation and Heritage and Education equally in line with both recurring income and time expensed on each activity.

e. Tangible fixed assets

Capital assets acquired are shown in the balance sheet. Capital items over £1,000 are capitalised.

Assets received by way of gift are capitalised at their estimated market value at the date of the gift and the corresponding credit included under donations on the statement of financial activities.

Heritage assets represent the Hospital Building which was capitalised at deemed value. This is depreciated in line with other Tangible Fixed assets as set out below.

Other heritage assets are capitalised at cost. These assets are preserved, and in view of their expected residual value and indeterminate useful life, any periodic depreciation charge would, in the opinion of the trustees, be immaterial.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

- Freehold property – 2% straight line
- Land - Not depreciated
- Fixtures and fittings - 10% reducing balance
- Computer equipment - 33% straight line

f. Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

EASTBRIDGE HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

1. Accounting policies (continued)

g. Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

h. Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

i. Stock

Stock is stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, overheads that have been incurred in bringing the stock to its present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stock over its estimated selling price less costs to complete and sell is recognised as an impairment in the statement of financial activities. Reversals of impairment losses are also recognised in the statement of financial activities.

j. Debtors and creditors

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.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received. Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

k. Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

l. 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.

m. 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.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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.

EASTBRIDGE HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

I. Accounting policies (continued)

n. Financial instruments

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

o. Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The following judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies that have had the most significant effect on amounts recognised in the financial statements:

Impairment of Tangible Fixed Assets

Management is required to assess at each reporting date whether there are any indicators of impairment for the charity's fixed assets. Where such indicators exist, or where annual impairment testing is required for certain assets, management estimates the recoverable amount of the asset to determine whether an impairment loss should be recognised.

The recoverable amount is the higher of fair value less costs of disposal and value in use. Determining the value in use requires management to make significant judgements and estimates, including future cash flow projections, growth rates, and expected changes in market conditions. These estimates are inherently uncertain and may change over time due to changes in economic conditions or performance.

Investment Properties

Investment Properties are measured at fair value at the Balance Sheet date. The fair values are assessed annually by the trustees and are based on market conditions.

EASTBRIDGE HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

2. Charitable activities	2024	2023
	£	£
Accommodation	23,448	44,067
Heritage Buildings	47,690	80,380
	<u>71,138</u>	<u>124,447</u>

3. Investments	2024	2023
	£	£
Commercial property rents	147,258	152,300
Income from listed investments	18,515	35,107
Interest receivable	512	817
	<u>166,285</u>	<u>188,224</u>

4. Expenditure	Staff costs	Activities undertaken directly	Grant funding of activities	Support costs	Total
	£	£	£	£	£
Current year					
Cost of raising funds	46,278	47,125	-	19,832	113,235
Charitable activity:					
Accommodation	44,917	235,016	-	39,424	319,357
Heritage and Education	44,917	395,486	1,000	28,313	469,716
	<u>136,112</u>	<u>677,627</u>	<u>1,000</u>	<u>87,569</u>	<u>902,308</u>

	Staff costs	Activities undertaken directly	Grant funding of activities	Support costs	Total
	£	£	£	£	£
Prior year					
Cost of raising funds	53,306	28,095	-	14,678	96,079
Charitable activity:					
Accommodation	53,307	102,583	-	421,904	577,794
Heritage and Education	53,307	384,153	9,100	4,123,615	4,570,175
	<u>159,920</u>	<u>514,831</u>	<u>9,100</u>	<u>4,560,197</u>	<u>5,244,048</u>

EASTBRIDGE HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

5. Support costs	2024	2023
	£	£
Sundry expenses	3,051	11,309
Irrecoverable VAT	5,597	1,580
Telephone	4,807	4,527
Bank charges and interest	2,109	1,772
Advertising and stationery	4,363	2,697
Subscriptions	2,156	2,127
Rates and water	1,350	1,690
Accountancy, Bookkeeping and Payroll	17,841	4,393
Legal and professional	6,503	-
Depreciation	29,237	4,037
Governance costs - Audit fees		
Legal Fees	155	3,845
Audit Fees	10,400	9,900
Impairment	-	4,512,320
	<u>87,569</u>	<u>4,560,197</u>

6. Grants	2024	2024	2023	2023
	no.	£	no.	£
Eastbridge Award Scheme grants made	1	<u>1,000</u>	3	<u>9,100</u>

The Eastbridge Award Scheme offers financial support to both young people (aged 14-19) and young adults (aged 19-25) who wish to undertake a project which will challenge themselves and improve the lives of others. As a Christian Foundation, the Eastbridge Hospital is eager to promote projects which advance the welfare of others. However, no particular faith commitment is required of applicants. All applications are reviewed by the trustees.

7. Trustees

During the year one trustee (2023 - None) received £94 (2023 - £nil) regarding re-imbursed expenses on behalf of the charity.

8. Staff costs	2024	2023
	£	£
<i>Staff costs were as follows:</i>		
Wages and salaries	129,140	148,379
Employers National Insurance	4,885	6,256
Pension costs	2,087	3,325
Redundancy costs	-	1,960
	<u>136,112</u>	<u>159,920</u>

Staff numbers

The average monthly number of employees (all relating to charitable activities) was 9 (2023: 11).

EASTBRIDGE HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

8. Staff costs continued

Higher paid staff

The number of employees whose emoluments as defined for taxation purposes, amounted to over £60,000 in the year were as follows:

	No.	No.
£60,000 to £69,999	1	1

Key management personnel

The key management personnel comprise those listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their service to the charity was £66,205 (2023: £62,538).

9. Tangible fixed assets

	Freehold land and buildings £	Fixtures and fittings £	Total £
Cost			
At 1 January 2024	1,335,121	40,341	1,375,462
At 31 December 2024	1,335,121	40,341	1,375,462
Depreciation			
At 1 January 2024	31,200	17,421	48,621
Charge for the year	25,200	4,037	29,237
At 31 December 2024	56,400	21,458	77,858
Net book value			
At 31 December 2024	1,278,721	18,883	1,297,604
At 31 December 2023	1,303,921	22,920	1,326,841

Included within Freehold land and buildings is land value of £75,121 (2023 - £75,121).

10. Heritage assets

	2024 £	2023 £
Cost		
At 1 January 2024	72,438	72,438
At 31 December 2024	72,438	72,438

Heritage assets purchased relate to the Grade I listed building of the Hospital together with maps and other historic artifacts relating to the charity which are displayed in the Hospital.

EASTBRIDGE HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

11. Investment property	2024	2023
	£	£
Fair value		
At 1 January 2024	3,240,000	3,264,167
Disposals	(370,000)	-
Revaluations	340,000	(24,167)
At 31 December 2024	3,210,000	3,240,000

The 2024 valuations were made by Geraldeve LLP, independent valuers who are regulated by the Royal Institution of Chartered Surveyors on 8 November 2024, on an open market value for existing use basis.

12. Fixed asset investments	2024	2023
	£	£
Cost or valuation		
At 1 January 2024	723,477	1,188,335
Disposals	(221,000)	(500,000)
Revaluations	50,093	35,142
At 31 December 2024	552,570	723,477
Cash held in portfolio	1,358	649
Total Investments	553,928	724,126

Investments at market value comprise:

United Kingdom	114,668	200,549
Overseas	439,260	523,577
	553,928	724,126

Asset distribution

	2024	2023
	£	£
Fixed Income	59,352	101,045
Equities and Funds	415,476	506,959
Property	19,007	27,474
Alternatives	48,028	68,751
Liquid Assets	12,065	19,897
	553,928	724,126

Historical cost of the portfolio above was £539,485 (2023 - £634,563).

The investments are held in a multi asset Sarasin Endowment fund Class A fund.

EASTBRIDGE HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

13. Debtors	2024	2023
	£	£
Trade debtors	10,310	10,164
VAT recoverable	12,286	16,399
Other debtors	996	-
Prepayments	5,902	3,777
	<u>29,494</u>	<u>30,340</u>

14. Creditors: amounts falling due within one year	2024	2023
	£	£
Trade creditors	3,605	19,776
Other creditors	292	38,548
Accruals and deferred income	72,134	68,406
	<u>76,031</u>	<u>126,730</u>

15. Deferred income	2024	2023
	£	£
Deferred income is included within:		
Creditors due within one year	<u>21,928</u>	<u>35,970</u>
Deferred income at 1 January 2024	35,970	26,563
Released from previous years	(35,970)	(26,563)
Resources deferred in the year	<u>21,928</u>	<u>35,970</u>
Deferred income at 31 December 2024	<u>21,928</u>	<u>35,970</u>

Deferred income relates to rental income received in advance for the next financial year.

16. Retirement benefit schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

17. Endowment funds	2024	2023
	£	£
Balance brought forward	-	4,105,093
Impairment	-	(4,105,093)
Balance carried forward	<u>-</u>	<u>-</u>

The endowment fund represented the original buildings of the charity, together with subsequent increases and decreases.

EASTBRIDGE HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

18. Designated funds

	Balance at 01 Jan 24	New designations	Designations released	Balance at 31 Dec 24
CURRENT YEAR	£	£	£	£
Investment fund	3,714,126	-	(200,198)	3,513,928
Restoration fund	250,000	-	-	250,000
Asset fund	1,399,279	-	(29,237)	1,370,042
	5,363,405	-	(229,435)	5,133,970
PRIOR YEAR				
Investment Fund	3,764,167	-	(50,041)	3,714,126
Restoration fund	500,000	-	(250,000)	250,000
Asset fund	1,835,743	-	(436,464)	1,399,279
	6,099,910	-	(736,505)	5,363,405

Investment Fund

This fund represents tangible fixed assets in the form of investment properties and managed investment portfolio which are used by the charity for both the purposes of income generation and capital appreciation and thus do not form part of the charity's free reserves.

Asset Fund

This fund represents buildings acquired following the formation of the charity, fixtures and fittings together with heritage assets which are for charitable use.

Restoration fund

This fund has been set aside by the Trustees to cover exceptional expenditure on restoration of the heritage properties over a two year period.

19. Restricted funds

	Balance at 01 Jan 24	Income	Expenditure	Balance at 31 Dec 24
CURRENT YEAR	£	£	£	£
Ukraine donations	303	-	-	303
PRIOR YEAR				
	Balance at 01 Jan 23	Income	Expenditure	Balance at 31 Dec 23
	£	£	£	£
Ukraine donations	-	6,000	(5,697)	303

Ukraine donations

Funds and donations received to the installation of Ukraine refugees now living at Eastbridge.

EASTBRIDGE HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

19. Operating lease agreements where the charity is lessor

At 31 December 2024 the total of the charity's future minimum lease receipts under non-cancellable operating leases was:

	2024	2023
	£	£
Due within one year	116,725	131,688
Due between two and five years	200,125	55,000
Due after five years	133,917	-
	<u>450,767</u>	<u>186,688</u>

20. Related party transactions

Christopher Robinson and Nigel Fletcher-Jones (Eastbridge Hospital Trustees) are also Trustees of Canterbury Archaeological Trust Limited. During the year expenses of £3,769 (2023: £nil) were paid to Canterbury Archaeological Trust in advance of repair work undertaken on the river wall. Amounts due to Canterbury Archaeological Trust at 31 December 2024 were £nil (2023: £nil)

21. Post Balance Sheet Events

All operations, assets and liabilities will be transferred to Eastbridge Hospital CIO (Registered charity number 1177727) on 31 December 2025.

22. Capital commitments

	2024	2023
	£	£
Expenditure contracted for but not provided in the accounts	<u>-</u>	<u>93,601</u>

The commitments above related to major repair works in progress at 31 December 2023. The commitment represented costs contracted but not paid at the year end. The project was funded by the designated restoration fund as set out in note 20 and was completed in the year.

23. Analysis of net assets between funds

	Restricted funds	Designated funds	Unrestricted funds	Total
	£	£	£	£
Current year				
Fixed assets	-	5,133,970	-	5,133,970
Current assets	303	-	322,493	322,796
Creditors: amounts falling due within one year	-	-	(76,031)	(76,031)
	<u>303</u>	<u>5,133,970</u>	<u>246,462</u>	<u>5,380,735</u>
Prior year				
Fixed assets	-	5,363,405	-	5,363,405
Current assets	303	-	411,315	411,618
Creditors: amounts falling due within one year	-	-	(126,730)	(126,730)
	<u>303</u>	<u>5,363,405</u>	<u>284,585</u>	<u>5,648,293</u>

EASTBRIDGE HOSPITAL (OR ST THOMAS)

England & Wales - Charity number 213319

Accounts

Charity Registration No. 213319

EASTBRIDGE HOSPITAL
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

EASTBRIDGE HOSPITAL

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EASTBRIDGE HOSPITAL

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Mr Christopher Robinson (Chairman)
The Reverend Dr Perry Butler
Mrs Angela Craig (Resigned 28 August 2023)
Dr Nigel Fletcher-Jones (Appointed 14 June 2024)
Mr Robin Joy
Mrs Tracy Perry-Stere (Resigned 4 June 2024)
Mr Nicholas Rooke
The Venerable Archdeacon of Canterbury (Ex Officio)

Charity number

213319

Principal office

25 High Street, Canterbury, Kent, CT1 2BD

Senior management team

Louise Knight – Clerk and Receiver

Independent auditors

Azets Audit Services
32-33 Watling Street, Canterbury, Kent, CT1 2AN

Bankers

National Westminster Bank plc
11 The Parade, Canterbury, Kent CT1 2SG

Solicitors

Furley Page
39 St Margaret's Street, Canterbury, Kent, CT1 2TX

Investment Advisers

Sarasin & Partners LLP
Juxon House, 100 St Pauls Churchyard, London, EC4M 8BU

Architects

Purcell
9 The Precincts, Canterbury, Kent, CT1 2EE

Surveyors and Land Agents (commercial properties)

Godden Allen Lawn
The Old Dairy, Cherrybrook Road, Folkestone, Kent, CT20 3JX

EASTBRIDGE HOSPITAL

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

The Trustees present their annual report together with the audited financial statements of the Charity for the year ended 31 December 2023. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The full name of the Charity is the Hospital of St Thomas the Martyr Eastbridge in the City of Canterbury.

OBJECTIVES AND ACTIVITIES

The Charity operates under an Ordinance of His Grace the Archbishop of Canterbury dated February 11th 2016 which updates an original ordinance by John Whitgift, Archbishop of Canterbury dated 20th July 1584.

The main objects of the charity are:

- Maintain the fabric of the Hospital and its grounds.
- To provide accommodation for those in financial need or suffering hardship.
- Contribute to the Eastbridge Parker Exhibitions at the College of Corpus Christi, Cambridge.
- Contribute to the Eastbridge Award Scheme to support local schools.
- Make provision for pilgrims.

The Hospital and its grounds

Eastbridge Hospital is not a hospital as the word is currently understood. It is a Grade I listed building in the centre of Canterbury, spanning the Great Stour River. The building dates from 1190 and was built as a place of hospitality for pilgrims visiting the tomb of St Thomas Becket, who was murdered in the cathedral in 1170. The building now includes two chapels, an undercroft and refectory as well as 8 self-contained flats.

The charity also owns the adjacent Franciscan Gardens, where the first Franciscan Friars settled in the UK in 1224. The site covers just under 2 acres of land bisected by the Great Stour River in the centre of the city. It is a Scheduled Ancient Monument and contains the Greyfriars Chapel, Grade I listed, and the only remaining building from the large Franciscan friary that occupied the area until the Reformation. The site also contains the Grade II listed wall to the Northeast known as the Lovelace Wall. The gardens are open to visitors and are planted to reflect their history with suitable varieties of herbs, flowers and shrubs as well as having a large wildflower meadow.

EASTBRIDGE HOSPITAL

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

Our Objective:

To secure the long-term continuation of the charity by improving its effectiveness and income from a variety of sources

In over 800 years of existence, Eastbridge has undergone many changes. Its continued existence is due to its ability to adapt and meet the needs of the times, from welcoming pilgrims, housing the poor, becoming a school, and later an almshouse. This year, the Trustees have carefully reviewed how, in a changing society with changing needs, the aims of the charity might best be fulfilled.

As far as the almshouse accommodation is concerned, it became clear that, with increased life expectancy, elderly residents who become frail and have mobility or other health issues could not live independently and safely in the flats in the medieval hospital building. The listed status of the building prevents the modifications necessary to meet modern care standards.

The Trustees last year agreed to a moratorium on the admission of new indwellers and continue to explore options, in collaboration with Social Services and other almshouses in the local area, to provide more suitable accommodation elsewhere for the existing indwellers. Other avenues will later be explored within Canterbury to create new more suitable accommodation.

It is also clear that, to maintain these important heritage buildings, the charity must be financially sustainable. This will enable their wider use by the community and the public and whilst staying within the objects of the charity, will require a change in priorities.

In setting these new objectives the Trustees have carefully considered the Charity Commission's public benefit guidance.

The Trustees accept that achieving these new aims will take time and for this year and the next few years will include:

- Reviewing the use of the Hospital's buildings, possibly by reverting to the charity's original purpose and creating accommodation for visiting pilgrims, both religious and secular
- Improving the Franciscan Gardens site and developing it as another heritage site for visitors to the city whilst encouraging use by the local community and for educational uses.
- Working with other almshouse charities to find alternative ways of meeting the aims to provide accommodation.
- Raising money from grants and other sources to enable the buildings to be restored and preserved for future generations.
- To remain involved in education by continuing to support the Parker Exhibition at Corpus Christi, Cambridge, developing the existing relationship with local schools by giving grants and enabling school visits, and exploring the opportunity of working with conservation training bodies through the repair of the historic buildings.

ACHIEVEMENTS AND PERFORMANCE

During 2023, much time was given to discussing the significant changes needed to the charity to meet future needs and to define and agree the objectives stated above. Mrs Angela Craig resigned from the board and the Trustees would like to express their thanks for the valuable contribution she made during her tenure.

Residents

There was no change to the residents in 2023. At the end of the year there were four indwellers residing at Eastbridge, one of whom is a Ukrainian refugee.

EASTBRIDGE HOSPITAL

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

Education

Eastbridge has, since the 16th century, contributed towards the Matthew Parker exhibitions at Corpus Christi College Cambridge. Originally for King's School scholars, in 1998 the scheme was revised to benefit undergraduates coming from any school within the city of Canterbury. Where no such scholars meet those criteria, the college may select its own candidates for the award, favouring candidates from backgrounds with a low income or with other needs.

The Charity also maintains the Eastbridge Award scheme for the benefit of state schools within the catchment area served by Canterbury City Council. In 2023 grants were made to five schools for specific projects.

Developments and Maintenance – Major Projects

During the course of the year, urgent works were required to restore the refectory ceiling which had started to collapse. The works took 6 months to complete, during which time the Eastbridge building was closed to the public. In conjunction with the work to the refectory the following were also carried out in 2023:

- Upgrade of electrical supply to the main building.
- Urgent repair works to the Parvis, including rebuilding by hand an oak frame window.
- Repairs to lower chapel due to damp ingress.
- Renovations to Flat 4 and Flat 9, which were found to have Death Watch Beetle.
- Repairs to small areas of collapsed walls in Franciscan Gardens
- Major repairs to section of the Franciscan Gardens river wall.
- Burst water pipe in the Franciscan Garden shop which closed the shop and access to the gardens for 3 months.
- Renovation works to Assisi Cottage.
- Repairs to riverwall by Greyfriars Chapel.
- Repointing and retying of wall to rear of Eastbridge Hospital.
- Maintenance and replanting in the Franciscan Gardens.

Opening to the public and community events

During 2023, Eastbridge Hospital has welcomed visitors and organisations, increasing its involvement with the local community. These have included several historical talks and visits by organisations from across the UK. Of local interest were:

- Nine local school and language school visits by over 500 pupils
- Events organised by local community groups including the Canterbury Society and Canterbury Commemoration Society
- Medieval Pageant in both Eastbridge Hospital and the Franciscan Gardens
- Evening bat walk in the Franciscan Gardens as part of the 2023 Riverfest
- Participation in Kent Pilgrims Festival
- UK Radio Drama Festival
- Participation in Heritage Open Day
- Open air theatre production by Parrot Theatre Company

As in previous years Eastbridge has been visited by many individual pilgrims, who are given a special welcome. Volunteer guides for both the Hospital building and the Gardens have been recruited and provide valuable support to staff members.

EASTBRIDGE HOSPITAL

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

Environmental considerations

The Great Stour River flows under the Hospital building and through the Franciscan Gardens and the charity therefore works closely with Canterbury Council and the Environment Agency to further its vision of “*a river and riverside environment managed to promote a rich diversity of wildlife*” and “*highlights of past history brought to life*”

Actions this year:

- Planting an orchard of heritage varieties of apple tree
- Planning in conjunction with the Environment Agency to soften the riverbank in part of the Franciscan Gardens to encourage more biodiversity

Change to a CIO

Trustees have agreed that a change to CIO status would improve the effectiveness and administration of the charity. A new CIO – Eastbridge Hospital - No 1177727 has already been created and all its assets, liabilities and operations will transfer to the CIO on 1st January 2025.

FINANCIAL REVIEW

The financial statements show net incoming resources for the year. The principal sources of income are rental income from the commercial and residential properties owned by the charity. The income from paying visitors to both the Eastbridge Hospital itself and the Franciscan Gardens is also important, one which we hope will grow as the sites develop and become better known to local people and tourists.

Income for the year totalled £342,382 (2022: £337,342).

Expenditure for the year was as follows:

- Repairs, maintenance and associated architect's fees in relation to properties (which included major projects and maintenance as detailed on page 4) - £323,783 (2022 - £275,035)
- Impairment of assets (see below) - £4,512,320 (2022 - £nil);
- Charitable expenditure (not including the above) - £407,945 (2022 - £510,801)

Total expenditure of the above was £5,244,048 (2022 - £785,836). The net deficit result for the year after gains / (losses) on investments was £4,890,691 (2022: deficit of £571,776).

The Trustees have considered the carrying value of the Hospital Buildings as a Heritage Asset in the Financial Statements. As set out elsewhere in this report, many issues concerning the state and maintenance of the buildings have been identified. The cost of repairs and the restrictions associated with a Grade I listed building have led to the decision to impair the value of this Heritage Asset.

One of the objects of the charity is to maintain the building and even if it could be sold, professional third-party advice confirmed that there would be no readily available market for such a building.

Reserves policy

The Trustees have agreed that reserves of unrestricted funds should be maintained at a level to cover at least 12 months core expenditure. This would ensure that if the charity covered any unforeseen temporary drop in rental income. The Trustees have reviewed the budgets for 2023 and wish to ensure that £250,000 to £300,000 (2022: £400,000) is maintained for that purpose.

The balance of unrestricted general funds at 31 December 2023 were £284,585 (2022: £333,981).

Total designated funds at 31 December 2023 were £5,363,405 (2022: £6,099,910).

Total endowment funds at 31 December 2023 were £nil (2022: £4,105,093).

Total restricted funds at 31 December 2023 were £303 (2022: £nil).

Total funds at 31 December 2023 were £5,648,293 (2022: £10,538,984).

EASTBRIDGE HOSPITAL

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

Going concern

On 1 January 2025, the activities, assets and liabilities of the charity will be transferred to Eastbridge Hospital (CIO, charity number 1177727).

After that day and before 31 October 2025 it is likely that the legal entity known as Eastbridge Hospital (Charity number 213319 will cease to exist and for this reason the Trustees consider the charity is no longer a going concern.

Risk management

The Trustees are responsible for the overseeing of the risks faced by the Charity. Risks are identified, assessed and controls established throughout the year. A formal review of the charity's risk management processes is undertaken on an annual basis. Risk is managed under the headings of financial sustainability, visitor safety, residents' welfare, employment, events, community access, and Cyber risk.

The main risks that the Trustees have identified and the plans to manage those risks are:

Reputation

Success is built on the charity's reputation for community involvement and the well-being of visitors and staff. We manage this risk through safeguarding policies, staff recruitment policies, pastoral support and active identification and resolution of health and safety related issues.

Financial

Our ability to continue is reliant on income and the ability to pay bills as they fall due. This risk is mitigated by the effective management of the charity's properties, investments and growing the income from tourism. Procedures are designed to minimise the risk of theft, fraud, and Cyber risk.

Buildings

The maintenance of the historic fabric is essential to the charity's operations. This year has shown up significant areas of lack of maintenance in the past which are now being rectified. There is now in place a programme of regular inspection, timely intervention and repairs to prevent any deterioration. Fire and Flood risks are mitigated by suitable alarm systems and insurance.

People

The charity's effectiveness depends on a diverse board of trustees and the abilities and motivation of staff. Our staff policies are designed to support this.

Through the risk management processes set up for the Charity, the Trustees are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

Investment policy and performance

Investment activities are managed in line with the requirements of the Trustee Act 2000. The Trustees have appointed Sarasin & Partners LLP as investment manager. The investment objective is to achieve long-term capital and income growth through investment in the Sarasin Endowments Fund, which adopts an ethical policy. The risk profile of the mandate is managed within a range of 4 – 6 on a scale of 1 – 10.

The investment targets are to preserve the real value of investments against inflation and to have a yield of 3%. Funds not invested are held on deposit to earn interest.

EASTBRIDGE HOSPITAL

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

The charity's portfolio of commercial and residential properties was reviewed in 2023 and it was decided to dispose of the property at 27 High Street which was sold at auction in December 2023 for the sum of £400,000.

Trustees decided that a revised professional valuation of the properties was needed as it was felt that the heritage building was overvalued. This exercise will be undertaken in 2024, and the new values will be included in the 2024 accounts. This will lead to a substantial reduction in the notional value of the assets, which hitherto have been based on an insurance replacement value of the main buildings.

PLANS FOR FUTURE PERIODS

On 1 January 2025, the activities, assets and liabilities of the charity will be transferred to Eastbridge Hospital (CIO, charity number 1177727).

Future plans for the charity were significantly delayed in 2024 by the collapse of the river wall in the Franciscan Gardens and serious storm damage to part of the already fragile Lovelace Wall. Furthermore, problems with the refectory ceiling were noted and repaired. This led to the discovery of further structural issues including decay in the timbers of the chapel roof and infestation of death watch beetle. Because of these, both the Franciscan Gardens and the Hospital building were closed to the public. The significant cost of these repairs and their urgency meant that we were not able to get outside funding and the Trustees were obliged to use the Charity's reserves.

It is expected that all the necessary repairs will be completed by early 2025 and the Trustees' plans to open the sites and also start the process of letting the flats to short term visitors will go forward. The pursuit of grants will continue for further restoration of the Hospital building and also for the Lovelace Wall and the Vinery.

The restoration and continuous upkeep of our two important heritage sites is a priority. A new quinquennial survey has been undertaken by our conservation architects, Purcell, during 2023 and a conservation plan is being created using it as a template.

Our plans will be partly financed from our income and from our reserves, but to cover the full cost of the very extensive restoration work that needs to be done, the charity will be applying for grants. A grant application was made to the World Heritage Fund and we are awaiting the results.

Canterbury sits at the crossroads of several historic pilgrimage routes including the London to Canterbury route that inspired Chaucer and the Winchester to Canterbury route. It is also the start point of the Via Francigena, the historic route of over 2000km to Rome. This links to the project to create accommodation for pilgrims, curating the contents of the Eastbridge Hospital building to better tell its story, thus effectively creating a Museum of Pilgrimage.

Increasing the footfall of visitors including tourists, is an important objective not only for the charity but for the economic sustainability of the City of Canterbury itself. We work closely with the local authority and other organisations to achieve this.

The Franciscan Gardens are a significant green space in the centre of the city of Canterbury, with the river flowing through them, which make them an important link in wildlife conservation in the area. We work closely with the local authority and the Environment Agency and other organisations to ensure that their development is based on best practice.

Wider environmental issues are also a high priority, and we are seeking for ways to make our buildings more energy efficient. We also are working to make more efficient use of water and supporting local recycling initiatives.

All these activities lead to educational opportunities in understanding heritage, and training in conservation and garden management skills.

EASTBRIDGE HOSPITAL

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

STRUCTURE GOVERNANCE AND MANAGEMENT

Constitution

The governing instrument of the Charity is an Ordinance of His Grace the Archbishop of Canterbury dated the 11th February 2016. The Eastbridge is registered as a charity under number 213319.

The Charity is restricted in the way it can operate to the extent that it is governed by the aforesaid ordinances and by charity law.

Method of appointment of Trustees

Trustees form the Council of Management and, with the exception of the Archdeacon of Canterbury whose appointment is ex officio, are appointed by the patron, the Archbishop of Canterbury, and hold office for five years. They may be reappointed to serve further terms. Trustees elect annually from their members a chairman. Trustees are selected wherever possible for their knowledge and expertise to further of the objects of the Charity.

Induction and training of Trustees

The Trustee body requires breadth and depth of experience to carry out its duties effectively and efficiently. When recruiting new trustees, the important attributes are a passion for the work of our Charity, an understanding of its role in the community, and in the conservation of our heritage. Where possible, the Trustees consider that the skills and experience of the Board should ideally include trustees with experience in one or more of: legal issues, finance and accounting, architecture and conservation of heritage buildings, property management, and senior management or business experience.

The current Trustee body meets this requirement.

The Trustees are appointed for a five-year renewable term by the Archbishop of Canterbury. In addition, the Archdeacon of Canterbury is an Ex-Officio Trustee.

Organisational structure and decision-making

The Trustees are responsible for the overall management, general policy of the charity and control of the Eastbridge Hospital and meet monthly. The work of implementing most of their policies is carried out by the Clerk and Receiver and individual trustees who lead on the topics close to their professional experience.

All trustees give of their time freely and no remuneration or expenses were paid in the year. No Trustee or person connected with a Trustee received any benefit.

EASTBRIDGE HOSPITAL

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

TRUSTEES RESPONSIBILITIES STATEMENT

Trustees are responsible for preparing this report and the financial statements in accordance with applicable law and United Kingdom accounting standards.

The law applicable to charities in England and Wales 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 those resources 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 judgments and estimates that are reasonable and prudent;
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Charity will continue in operation

The Trustees are responsible for keeping 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 acts and charity accounting and reporting regulations together also with the provisions of the Eastbridge Ordinance. Trustees are also responsible for safeguarding the assets of the Charity and taking reasonable steps to prevent and detect fraud and other irregularities.

This report was approved by the Trustees and signed on their behalf by:-

Mr Christopher Robinson
Trustee

Date: 29 October 2024

EASTBRIDGE HOSPITAL

INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

Opinion

We have audited the financial statements of Eastbridge Hospital (the 'charity') for the year ended 31 December 2023 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. 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 2023 and of its incoming resources and application of resources, for the year 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 SORP 2019.

Basis for opinion

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

Conclusions relating to going concern

We draw your attention to note 1.b in the financial statements, which indicates that the financial statements have been prepared on the basis that the charity is no longer a going concern as the charity will transfer its entire activities, assets and liabilities to Eastbridge Hospital (CIO charity number 1177727) on 1 January 2025. Our opinion is not modified in this respect.

Other information

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

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

We have nothing to report in this regard.

EASTBRIDGE HOSPITAL

INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

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 financial statements is inconsistent in any material respect with the trustees' report;
- sufficient accounting records have not been kept;
- 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 and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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. This description forms part of our auditor's report.

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.

EASTBRIDGE HOSPITAL

INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

Extent to which the audit was considered capable of detecting irregularities, including fraud (continued)

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

- Enquiry of senior leadership, Trustees 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 company 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 recognition of grant income and the allocation of expenditure to funds;
- 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 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.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Michelle Wilkes FCA (Senior Statutory Auditor)

For and on behalf of Azets Audit Services
32 – 33 Watling Street
Canterbury
Kent
CT1 2AN

Date: 29 October 2024

EASTBRIDGE HOSPITAL
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
For the year ended 31 December 2023

		Unrestricted funds 2023 £	Restricted funds 2023 £	Endowment funds 2023 £	Total 2023 £	Total 2022 £
	Notes					
Income from:						
Donations and grants	2	4,133	6,000	-	10,133	6,493
Charitable activities	3	124,447	-	-	124,447	127,167
Investments	4	188,224	-	-	188,224	203,682
Other income		19,578	-	-	19,578	-
Total income		336,382	6,000	-	342,382	337,342
Expenditure on:						
Raising funds		96,079	-	-	96,079	165,217
Charitable activities		546,175	5,697	83,777	635,649	620,619
Impairment		4,512,320	-	-	4,512,320	-
Total expenditure	5	5,154,574	5,697	83,777	5,244,048	785,836
Net deficit before gains/(losses) on investments		(4,818,192)	303	(83,777)	(4,901,666)	(448,494)
Net gains/(losses) on investments	12, 13	10,975		-	10,975	(123,282)
Net movement in funds		(4,807,217)	303	(83,777)	(4,890,691)	(571,776)
Fund balances						
At 1 January 2023		6,433,891	-	4,105,093	10,538,984	11,110,760
At 31 December 2023		1,626,674	303	4,021,316	5,648,293	10,538,984

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

EASTBRIDGE HOSPITAL
COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
For the year ended 31 December 2023

		Unrestricted funds 2022 £	Restricted funds 2022 £	Endowment funds 2022 £	Total 2022 £
Year ended 31 December 2022	Notes				
Income from:					
Donations and grants	2	6,493	-	-	6,493
Charitable activities	3	127,167	-	-	127,167
Investments	4	203,682	-	-	203,682
Other income		-	-	-	-
Total income		337,342	-	-	337,342
Expenditure on:					
Raising funds		165,217	-	-	165,217
Charitable activities		536,842	83,777	-	620,619
Total expenditure	5	702,059	83,777	-	785,836
Net deficit before gains/(losses) on investments		(364,717)	(83,777)	-	(448,494)
Net gains/(losses) on investments	12 & 13	(123,282)	-	-	(123,282)
Net movement in funds		(487,999)	(83,777)	-	(571,776)
Fund balances					
At 1 January 2022		6,921,890	4,188,870	-	11,110,760
At 31 December 2022		6,433,891	4,105,093	-	10,538,984

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

EASTBRIDGE HOSPITAL
BALANCE SHEET
As at 31 December 2023

	Notes	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Tangible assets	10		1,326,841		1,763,305
Heritage assets	11		72,438		4,177,531
Investment properties	12		3,240,000		3,264,167
Investments	13		724,126		1,188,871
			5,363,405		10,393,874
Current assets					
Stock - Finished goods for resale		7,378		2,976	
Debtors	14	30,340		30,142	
Cash at bank and in hand		373,900		456,093	
		411,618		489,211	
Creditors: amounts falling due within one year					
	15	(126,730)		(209,195)	
Net current assets			284,888		280,016
Total assets less current liabilities			5,648,293		10,673,890
Creditors: amounts falling due after more than one year					
	17		-		(134,906)
Net assets			5,648,293		10,538,984
Funds					
Endowment funds	19		-		4,105,093
Restricted funds	21		303		-
<u>Unrestricted funds:</u>					
Designated funds	20	5,363,405		6,099,910	
General unrestricted fund		284,585		333,981	
			5,647,990		6,433,891
	25		5,648,293		10,538,984

The financial statements were approved by the Trustees on 29 October 2024 and signed on their behalf by:

Mr Christopher Robinson
Trustee

EASTBRIDGE HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

I. Accounting policies

a. Basis of preparation

The charity constitutes a public benefit entity as defined by FRS 102. 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

b. Going concern

On 1 January 2025, the activities, assets and liabilities of the charity will be transferred to Eastbridge Hospital (CIO, charity number 1177727).

After that day and before 31 October 2025 it is likely that the legal entity known as Eastbridge Hospital (Charity number 213319) will cease to exist and for this reason the Trustees consider the charity is no longer a going concern.

c. 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.

Legacies

These are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Accommodation

Contribution towards maintenance of the flats is based on accommodation of the flats and is recognised when the accommodation is occupied.

Hospital Buildings

Donations and entrance fees are collected daily and are recognised upon receipt.

Investment property Rental Income

Invoices are raised quarterly based on occupied properties in accordance with the assigned leases. Income is recognised for the periods in which the properties are let.

Investment Income

Investment income from the managed portfolio is recognised upon receipt.

EASTBRIDGE HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1. Accounting policies (continued)

d. Expenditure

Expenditure, all of which is inclusive of irrecoverable VAT, 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.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements. Costs of raising funds are costs incurred in attracting voluntary income.

Termination payment liabilities are recognised on communication of intention to pay and when quantifiable. Such payments are accounted for as staff costs.

Grants payable are charged in the year 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 year end are noted as a commitment, but not accrued as expenditure.

Support costs are allocated between the cost of raising funds, Accommodation and Heritage and Education equally in line with both recurring income and time expended on each activity.

e. Tangible fixed assets

Capital assets acquired are shown in the balance sheet. Capital items over £1,000 are capitalised.

Assets received by way of gift are capitalised at their estimated market value at the date of the gift and the corresponding credit included under donations on the statement of financial activities.

Heritage assets represent the Hospital Building which was capitalised at deemed value. This is depreciated in line with other Tangible Fixed assets as set out below.

Other heritage assets are capitalised at cost. These assets are preserved, and in view of their expected residual value and indeterminate useful life, any periodic depreciation charge would, in the opinion of the trustees, be immaterial.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

- Freehold property – 2% straight line
- Land - Not depreciated
- Fixtures and fittings - 10% reducing balance
- Computer equipment - 33% straight line

f. Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

EASTBRIDGE HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

l. Accounting policies (continued)

g. Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

h. Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

i. Stock

Stock is stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, overheads that have been incurred in bringing the stock to its present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stock over its estimated selling price less costs to complete and sell is recognised as an impairment in the statement of financial activities. Reversals of impairment losses are also recognised in the statement of financial activities.

j. Debtors and creditors

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.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received. Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

k. Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

l. 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.

m. 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.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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.

EASTBRIDGE HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

I. Accounting policies (continued)

n. Financial instruments

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

o. Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The following judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies that have had the most significant effect on amounts recognised in the financial statements:

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 9 for the carrying amount of the property plant and equipment, and note 1.e for the useful economic lives for each class of assets.

Bad debts

Debtors are regularly reviewed for recoverability, any debts which in the opinion of management are not recoverable are provided for as a specific bad debt.

There are no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Investment Properties

Investment Properties are measured at fair value at the Balance Sheet date. The fair values are assessed annually by the trustees and are based on market conditions.

EASTBRIDGE HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2023

2. Donations and grants	2023 £	2022 £
Donations and gifts	10,133	2,650
Government Grant - CBILS loan interest	-	3,843
	<u>10,133</u>	<u>6,493</u>

3. Charitable activities	2023 £	2022 £
Accommodation	44,067	43,397
Hospital Buildings	80,380	83,770
	<u>124,447</u>	<u>127,167</u>

4. Investments	2023 £	2022 £
Commercial property rents	152,300	165,712
Income from listed investments	35,107	37,970
Interest receivable	817	-
	<u>188,224</u>	<u>203,682</u>

5. Expenditure	Staff costs £	Activities undertaken directly £	Grant funding of activities £	Support costs £	Total 2023 £
Current year					
Cost of raising funds	53,306	28,095	-	14,678	96,079
Charitable activity:					
Accommodation	53,307	102,583	-	421,904	577,794
Heritage and Education	53,307	387,998	9,100	4,119,770	4,570,175
	<u>159,920</u>	<u>518,676</u>	<u>9,100</u>	<u>4,556,352</u>	<u>5,244,048</u>

Expenditure	Staff costs £	Activities undertaken directly £	Grant funding of activities £	Support costs £	Total 2022 £
Prior year					
Cost of raising funds	48,782	97,247	-	19,188	165,217
Charitable activity:					
Accommodation	48,782	111,989	-	19,189	179,960
Heritage and Education	48,782	368,338	4,350	19,189	440,659
	<u>146,346</u>	<u>577,574</u>	<u>4,350</u>	<u>57,566</u>	<u>785,836</u>

EASTBRIDGE HOSPITAL
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2023

6. Support costs	2023	2022
	£	£
Sundry expenses	11,309	8,393
Irrecoverable VAT	1,580	2,212
Telephone	4,527	3,778
Bank charges and interest	1,772	17,804
Advertising and stationery	2,697	1,786
Subscriptions	2,127	1,222
Rates and water	1,690	1,721
Accountancy, Bookkeeping and Payroll	4,393	2,780
Legal and professional	-	2,133
Depreciation	4,037	4,037
Impairment	4,512,320	-
Governance costs - Audit fees	9,900	11,700
	4,556,352	57,566

7. Grants	2023	2023	2022	2022
	no.	£	no.	£
Eastbridge Award Scheme grants made	3	9,100	3	4,350

The Eastbridge Award Scheme offers financial support to both young people (aged 14-19) and young adults (aged 19-25) who wish to undertake a project which will challenge themselves and improve the lives of others. As a Christian Foundation, the Eastbridge Hospital is eager to promote projects which advance the welfare of others. However, no particular faith commitment is required of applicants. All applications are reviewed by the trustees.

8. Trustees

None of the trustees (or any persons connected with them) received any remuneration, benefits or reimbursement of expenses from the charity during the year.

9. Staff costs	2023	2022
	£	£
<i>Staff costs were as follows:</i>		
Wages and salaries	148,379	139,091
Employers National Insurance	6,256	5,159
Pension costs	3,325	2,096
Redundancy costs	1,960	-
	159,920	146,346

Staff numbers

The average monthly number of employees (all relating to charitable activities) was 11 (2022: 10).

Higher paid staff

There were no employees whose annual remuneration was £60,000 or more.

Key management personnel

The key management personnel comprise those listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their service to the charity was £62,538 (2022: £52,156).

EASTBRIDGE HOSPITAL
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2023

10. Tangible fixed assets

	Freehold land and buildings £	Fixtures and fittings £	Total £
Cost			
At 1 January 2023	1,770,251	40,341	1,810,592
Impairment	(435,130)	-	(435,130)
At 31 December 2023	1,335,121	40,341	1,375,462
Depreciation			
At 1 January 2023	33,903	13,384	47,287
Impairment adjustment	(27,903)	-	(27,903)
Charge for the year	25,200	4,037	29,237
At 31 December 2023	31,200	17,421	48,621
Net book value			
At 31 December 2023	1,303,921	22,920	1,326,841
At 31 December 2022	1,736,348	26,957	1,763,305

Included within Freehold land and buildings is land value of £75,121 (2022 - £75,121).

11. Heritage assets

	Total £
Cost	
At 1 January 2023	4,261,308
Impairment	(4,188,870)
At 31 December 2023	72,438
Depreciation	
At 1 January 2023	83,777
Impairment adjustment	(83,777)
Charge for the year	-
At 31 December 2023	-
Net book value	
At 31 December 2023	72,438
At 31 December 2022	4,177,531

Heritage assets purchased relate to the Grade I listed building of the Hospital together with maps and other historic artifacts relating to the charity which are displayed in the Hospital.

EASTBRIDGE HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2023

12. Investment property	2023	2022
	£	£
Fair value		
At 1 January 2023	3,264,167	3,589,167
Disposals	-	(387,532)
Revaluations	(24,167)	62,532
At 31 December 2023	3,240,000	3,264,167

The 2023 valuations were made by the trustees, on an open market value for existing use basis.

One of the Investment Properties with a year end valuation of £370,000 was sold for £385,000 in August 2024.

13. Fixed asset investments	2023	2022
	£	£
Cost or valuation		
At 1 January 2023	1,188,335	1,474,150
Disposals	(500,000)	(100,000)
Revaluations	35,142	(185,815)
At 31 December 2023	723,477	1,188,335
Cash held in portfolio	649	536
Total Investments	724,126	1,188,871

Investments at market value comprise:

United Kingdom	200,549	255,803
Overseas	523,577	933,068
	724,126	1,188,871

Asset distribution

	2023	2022
	£	£
Fixed Income	101,045	143,971
Equities and Funds	506,959	806,254
Property	27,474	54,600
Alternatives	68,751	156,143
Liquid Assets	19,897	27,903
	724,126	1,188,871

Historical cost of the portfolio above was £634,563 (2022 - £1,101,533).

The investments are held in a multi asset Sarasin Endowment fund Class A fund. None of the included assets are in excess of 5% of the portfolio value.

EASTBRIDGE HOSPITAL
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2023

14. Debtors	2023	2022
	£	£
Trade debtors	10,164	8,094
VAT recoverable	16,399	18,252
Prepayments	3,777	3,796
	<u>30,340</u>	<u>30,142</u>
	<u><u>30,340</u></u>	<u><u>30,142</u></u>
15. Creditors: amounts falling due within one year	2023	2022
	£	£
Trade creditors	19,776	74,534
Other creditors	38,548	40,222
Accruals and deferred income	68,406	64,584
Loan (Note 17)	-	29,855
	<u>126,730</u>	<u>209,195</u>
	<u><u>126,730</u></u>	<u><u>209,195</u></u>
16. Deferred income	2023	2022
	£	£
Deferred income is included within:		
Creditors due within one year	<u>35,970</u>	<u>26,563</u>
	<u><u>35,970</u></u>	<u><u>26,563</u></u>
Deferred income at 1 January 2023	26,563	26,563
Released from previous years	(26,563)	(26,563)
Resources deferred in the year	35,970	26,563
	<u>35,970</u>	<u>26,563</u>
Deferred income at 31 December 2023	<u><u>35,970</u></u>	<u><u>26,563</u></u>
17. Creditors: amounts falling due after one year	2023	2022
	£	£
Loan	-	134,906
	<u>-</u>	<u>134,906</u>
	<u><u>-</u></u>	<u><u>134,906</u></u>
Loans shown in note 15 and 17 are due as follows:	2023	2022
	£	£
Within one year	-	29,855
Between one and two years	-	35,300
Between two and five years	-	97,853
After five years	-	1,753
	<u>-</u>	<u>164,761</u>
	<u><u>-</u></u>	<u><u>164,761</u></u>

There were two Coronavirus Business Interruption loans for six years annual interest at 3.3%. Loan 1 was taken out in May 2020 with repayments commencing in June 2021, loan 2 was taken out in June 2021 with repayments starting in July 2021. Both loans were repaid in the year ended 31 December 2023.

EASTBRIDGE HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2023

18. Retirement benefit schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

19. Endowment funds

	2023	2022
	£	£
Balance brought forward	4,105,093	4,188,870
Impairment	(4,105,093)	-
Depreciation	-	(83,777)
Balance carried forward	-	4,105,093

The endowment fund represents the original buildings of the charity, together with subsequent increases and decreases.

20. Designated funds

	Balance at 01 Jan 23	New designations	Designations released	Balance at 31 Dec 23
	£	£	£	£
CURRENT YEAR				
Investment fund	3,764,167	-	(50,041)	3,714,126
Restoration fund	500,000	-	(250,000)	250,000
Asset fund	1,835,743	-	(436,464)	1,399,279
	6,099,910	-	(736,505)	5,363,405
PRIOR YEAR				
New Almshouse fund	1,269,081	-	(1,269,081)	-
Investment Fund	3,589,167	500,000	(325,000)	3,764,167
Restoration fund	-	500,000	-	500,000
Asset fund	1,872,658	-	(36,915)	1,835,743
	6,730,906	1,000,000	(1,630,996)	6,099,910

Investment Fund

This fund represents tangible fixed assets in the form of investment properties and managed investment portfolio which are used by the charity for both the purposes of income generation and capital appreciation and thus do not form part of the charity's free reserves.

Asset Fund

This fund represents buildings acquired following the formation of the charity that do not form part of the Permanent Endowment, fixtures and fittings together with heritage assets which are for charitable use.

Restoration fund

This fund has been set aside by the Trustees to cover exceptional expenditure on restoration of the heritage properties over a two year period.

EASTBRIDGE HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2023

21. Restricted funds	Balance at 01 Jan 23	New Income	Expenditure	Transfers	Balance at 31 Dec 23
CURRENT YEAR	£	£	£	£	£
Ukraine donations	-	6,000	(5,697)	-	303
	-	6,000	(5,697)	-	303

Ukraine donations

Funds and donations received to the installation of Ukraine refugees now living at Eastbridge.

21. Operating lease agreements where the charity is lessor

At 31 December 2023 the total of the charity's future minimum lease receipts under non-cancellable operating leases was:

	2023	2022
	£	£
Due within one year	131,688	142,279
Due between two and five years	55,000	152,625
Due after five years	-	11,000
	186,688	305,904

22. Related party transactions

There have been no transactions with related parties during the period under review (2022 - none).

23. Post Balance Sheet Events

Trustees have agreed that a change to CIO status would improve the effectiveness and administration of the charity. A new CIO – Eastbridge Hospital - No 117727 has already been created and on 1 January 2025 all the assets and obligations of the existing charity will be transferred to the CIO.

24. Capital commitments	2023	2022
	£	£
Expenditure contracted for but not provided in the accounts	93,601	-

The commitments above relate to major repair works in progress at 31 December 2023. The commitment represents costs contracted but not paid at the year end. The project is funded by the designated restoration fund as set out in note 20.

EASTBRIDGE HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2023

25. Analysis of net assets between funds

	Endowment fund	Restricted funds	Designated funds	Unrestricted funds	Total
	£	£	£	£	£
Current year					
Tangible assets	-	-	1,326,841	-	1,326,841
Heritage assets	-	-	72,438	-	72,438
Investments	-	-	3,964,126	-	3,964,126
Current assets	-	303	-	411,315	411,618
Creditors: amounts falling due within one year	-	-	-	(126,730)	(126,730)
	-	303	5,363,405	284,585	5,648,293
	Endowment fund	Restricted funds	Designated funds	Unrestricted funds	Total
	£	£	£	£	£
Prior year					
Tangible assets	-	-	1,763,305	-	1,763,305
Heritage assets	4,105,093	-	72,438	-	4,177,531
Investments	-	-	4,264,167	188,871	4,453,038
Current assets	-	-	-	489,211	489,211
Creditors: amounts falling due within one year	-	-	-	(209,195)	(209,195)
Creditors: amounts falling due after more than one year	-	-	-	(134,906)	(134,906)
	4,105,093	-	6,099,910	333,981	10,538,984

EASTBRIDGE HOSPITAL (OR ST THOMAS)

England & Wales - Charity number 213319

Accounts

Charity Registration No. 213319

EASTBRIDGE HOSPITAL
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

EASTBRIDGE HOSPITAL

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EASTBRIDGE HOSPITAL

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Mr Christopher Robinson (Chairman)
Mr Peter Brown (Resigned – August 2022)
The Reverend Dr. Perry Butler
Mr Christopher Head (Resigned – May 2022)
Mr Robin Joy
Mrs Alicia Pentin (Resigned May 2022)
Mr Nicholas Rooke
Mrs Cressida Williams (Resigned – September 2022)
Mrs Tracy Perry-Stere (Appointed April 2022)
Mrs Angela Craig (Appointed April 2022)
The Venerable Archdeacon of Canterbury (Ex Officio)

Charity number

213319

Principal office

25 High Street, Canterbury, Kent, CT1 2BD

Senior management team

The Reverend Kevin Goodman - Master of Eastbridge Hospital (Retired July 2022)
Nicholas Andrews - Clerk and Receiver (To June 2022)
Louise Knight – Clerk and Receiver (From June 2022) : Deputy Clerk (To June 2022)

Independent auditors

Azets Audit Services
32-33 Watling Street, Canterbury, Kent, CT1 2AN

Bankers

National Westminster Bank plc
11 The Parade, Canterbury, Kent CT1 2SG

Solicitors

Furley Page
39 St Margaret's Street, Canterbury, Kent, CT1 2TX

Investment Advisers

Sarasin & Partners LLP
Juxon House, 100 St Pauls Churchyard, London, EC4M 8BU

Architects

Donald Insall Associates
12 Devonshire Street, London, W1G 7AB

Surveyors and Land Agents (commercial properties)

Godden Allen Lawn
The Old Dairy, Cherrybrook Road, Folkestone, Kent, CT20 3JX

EASTBRIDGE HOSPITAL

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustees present their annual report together with the audited financial statements of the Charity for the year ended 31 December 2022. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The full name of the Charity is the Hospital of St Thomas the Martyr Eastbridge in the City of Canterbury, but more often known simply as (the) Eastbridge.

OBJECTIVES AND ACTIVITIES

The Charity operates under an Ordinance of His Grace the Archbishop of Canterbury dated February 11th 2016 which updates an original ordinance by John Whitgift, Archbishop of Canterbury dated 20th July 1584.

The main objects of the charity are:

- Maintain the fabric of the Hospital and its grounds.
- Contribute to the Eastbridge Parker Exhibitions at the College of Corpus Christi, Cambridge.
- Contribute to the Eastbridge Award Scheme to support local schools.
- To provide accommodation for those in financial need or suffering hardship.
- Make provision for pilgrims.

The Hospital and its grounds

Eastbridge Hospital is not a hospital as the word is currently understood. It is a Grade I listed building in the centre of Canterbury, spanning the Great Stour river. The building dates from 1190 when it was built as a place of hospitality for pilgrims visiting the tomb of St Thomas Becket, who was murdered in the cathedral in 1170. The building now includes two chapels, an undercroft and refectory as well as 8 self-contained flats.

The charity also owns the adjacent site of the Franciscan Gardens, the place where the first Franciscan Friars settled in the UK in 1224. The site covers just under 2 acres of land by the Great Stour River in the centre of the city. It is a Scheduled Ancient Monument and contains the Greyfriars Chapel, Grade I listed and the only remaining building from the large Franciscan friary that occupied the area until the Reformation. The site also contains the Grade II listed wall to the North East known as the Lovelace Wall. The gardens are planted to reflect their history with suitable varieties of herbs, flowers and shrubs as well as having a large wildflower meadow.

EASTBRIDGE HOSPITAL

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

Our Objective:

To secure the long-term continuation of the charity by improving its effectiveness and income from a variety of sources

In the 800 years or more of its existence, Eastbridge has undergone many changes; and its continued existence is due to its ability to adapt and meet the needs of the times, from welcoming pilgrims, housing the poor, becoming a school, and later an almshouse. This year, the Trustees have carefully reviewed how, in a changing society with changing needs, the aims of the charity might best be fulfilled.

As far as the almshouse accommodation is concerned, it has become clear that, with increased life expectancy, elderly residents who become frail and have mobility or other health issues cannot live independently and safely in the flats in the medieval hospital building. The listed status of the building prevents the modifications necessary to meet modern care standards.

The Trustees' intention is therefore to explore options to provide more suitable accommodation elsewhere, possibly in collaboration with other almshouses in the local area. It has also become clear that, in addition to just maintaining these important heritage buildings, it is becoming more important for the charity to enable their wider use by the community and the public. Whilst staying within the overall objects of the charity, this will require a change in priorities.

In setting these new goals, the Trustees have carefully considered the Charity Commission's public benefit guidance.

The Trustees accept that achieving these new aims will take time and for this year and the next few years will include:

- A moratorium on appointing new residents to the almshouse accommodation whilst meeting the obligations to existing residents by keeping them in situ or seeking alternative accommodation for them
- Working with other almshouse charities to find alternative ways of meeting the aims to provide accommodation. In the meantime, to use the accommodation for younger people in need. Contacts have already been made to consider the needs of Ukrainian refugees.
- Improving the use of the Hospital's buildings and the Franciscan Gardens site and developing them both for use by the local community, encouraging educational uses, thereby adding another heritage site for visitors to the city.
- Raising money from grants and other sources to enable the buildings to be restored and preserved for future generations.
- To remain involved in education by continuing to support the Parker Exhibition, developing the existing relationship with local schools both in terms of giving grants and enabling school visits, and exploring the opportunity of working with conservation and other craft training bodies involved in the repair of the historic buildings.

EASTBRIDGE HOSPITAL

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

ACHIEVEMENTS AND PERFORMANCE

During 2022, much time was given to discussing the significant changes needed to the charity to meet future needs and to define and agree the objectives stated above. At the end of June 2022, the then Clerk and Receiver, Mr Nicholas Andrews retired after many years and Mrs Louise Knight was appointed as his replacement. The Trustees would particularly like to thank the Venerable Jo Kelly-Moore, Archdeacon of Canterbury, Mr Christopher Head, Mrs Cressida Williams, and Mr Peter Brown for the work they have done as Trustees and welcome the new Archdeacon, the Venerable Dr William Adam as well as Mrs Tracy Perry-Rutt and Mrs Angela Craig who have joined the board.

The Rev Dr Perry Butler was appointed as Master of Eastbridge on the 22nd of September 2022 and formally installed by His Grace the Archbishop of Canterbury at a ceremony in the Chapel on 29th of December 2022.

Residents

Several of our more elderly residents moved from Eastbridge in 2022 which has allowed remodelling and upgrading of the flats. We currently have four indwellers residing at Eastbridge.

Education

Eastbridge has, since the 16th century, contributed towards the Matthew Parker exhibitions at Corpus Christi College Cambridge. Originally for King's School scholars, in 1998 the scheme was revised to benefit undergraduates coming from any school within the city of Canterbury. Where no such scholars meet those criteria, the college may select its own candidates for the award, favouring candidates from backgrounds with a low income or with other needs.

The Charity also maintains the Eastbridge Award scheme for the benefit of state schools within the catchment area served by Canterbury City Council. In 2022 grants were made to three primary schools for specific projects.

Developments and Maintenance – Major Projects

Significant work was carried out on the fabric of the buildings, in particular, the brick façade of the building facing the High Street required substantial repairs. This included the replacement of corroded ironwork, re-building of brickwork and works to the front windows. Work also included planting and maintenance in the Franciscan Gardens.

Opening to the public and community events

Following the closure of Eastbridge Hospital to the public during the Covid pandemic visitors were again welcomed from March 2022 with 4,153 visiting during the remainder of the year. The building also featured in several TV programmes.

The Franciscan Gardens opened again in February and have welcomed 6,841 visitors, not only from the UK but Europe, Asia, American and Canada. During the year the Gardens won awards for horticulture and design. A "Friends of the Franciscan Gardens" organisation has been arranged so that members may visit the garden at any time, receive newsletters and are invited to attend events.

Eastbridge hosted several community events during the year including visits from both primary and secondary schools who have enjoyed workshops / tours to both sites. Local residents associations have held a number of garden parties and annual general meetings in the Eastbridge. We also hosted the International Radio Drama Festival which spanned seven days.

Opening to the public and community events (continued)

As in previous years Eastbridge has been visited by many pilgrims, who are given a special welcome. Volunteer guides for both the Hospital building and the Gardens have been recruited and provide valuable support to staff members.

EASTBRIDGE HOSPITAL

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

Environmental considerations

The Great Stour River flows under the Hospital building and through the Franciscan Gardens and the charity therefore works closely with Canterbury Council to further its vision of “*a river and riverside environment managed to promote a rich diversity of wildlife*” and “*highlights of past history brought to life*”.

Actions this year:

- Bee friendly planting plan
- Wildflower meadow
- No use of fertilizer or pesticides
- “No mow May”

Change to a CIO

Trustees have agreed that a change to CIO status would improve the effectiveness and administration of the charity. A new CIO – Eastbridge Hospital - No 117727 has already been created and on 31 December 2023 all the assets and obligations of the existing charity will be transferred to the CIO.

FINANCIAL REVIEW

The financial statements show net income for the year. The principal sources of income are rental income from the commercial and residential properties owned by the charity. The income from paying visitors to both the Eastbridge Hospital itself and the Franciscan Gardens is also important, one which we hope will grow as the sites develop and become better known to local people and tourists.

Income for the year totalled £337,342 (2021: £426,157) and expenditure totalled £785,836 (2021: £480,380) which resulted in net expenditure in the year of £448,494 (2021: £54,223). The net deficit result for the year after gains / (losses) on investments was £571,776 (2021: surplus of £45,743).

The Balance sheet has total funds of £10,538,984 (2021: £11,110,760) the majority of which are represented by Tangible Fixed Assets.

Net current assets stood at £280,016 (2021: £143,707).

Reserves policy

The Trustees have agreed that reserves of unrestricted funds should be maintained at a level to cover at least 12 months core expenditure. This would ensure that if the charity covered any unforeseen temporary drop in rental income. The Trustees have reviewed the budgets for 2023 and wish to ensure that £400,000 (2021: £75,000) is maintained for that purpose.

The balance of unrestricted general funds at 31 December 2022 were £333,981 (2021: £190,984).

Trustees are also aware that the plans for the next 2 years include some exceptional expenditure on restoration of the heritage properties and have created a special reserve for this of £500,000 as set out in note 21.

Total designated funds at 31 December 2022 were £6,099,910 (2021: £6,730,906).

Total endowment funds at 31 December 2022 were £4,105,093 (2021: £4,188,870).

Total funds at 31 December 2022 were £10,538,984 (2021: £11,110,760).

EASTBRIDGE HOSPITAL

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

Going concern

The 2023 current years' budget forecasts a projected income of £313k and expenditure of £588k. £242k of this expenditure is for repairs and maintenance and is to be met from the designated restoration fund (see note 21). This leaves a deficit on core charitable activities of £33k.

In general variances from budget are minimal, this is due to budget planning being based on conservative income estimates and known expenditure. During the year the cash flow is closely monitored and reported on each quarter. Trustees regularly monitor these budgets and expect detailed explanations for any significant variances reported.

The Trustees have identified no issues that would offer concerns about the charity's viability as a going concern.

Risk management

The Trustees are responsible for the overseeing of the risks faced by the Charity. Risks are identified, assessed and controls established throughout the year. A formal review of the charity's risk management processes is undertaken on an annual basis. Risk is managed under the headings of financial sustainability, visitor safety, residents' welfare, employment, events, community access, and Cyber risk.

The main risks that the Trustees have identified and the plans to manage those risks are:

Reputation

Success is built on its reputation for community involvement and the well-being of residents and staff. We manage this risk through safeguarding policies, staff recruitment policies, pastoral support for both residents and staff, and active identification and resolution of health and safety related issues.

Financial

Our ability to continue is reliant on income and the ability to pay bills as they fall due. This risk is mitigated by the effective management of the charity's properties, investments and the growing the income from tourism. Procedures are designed to minimise the risk of theft, fraud and Cyber risk.

Buildings

The maintenance of the historic fabric is essential and is achieved by regular inspection and timely intervention to prevent any deterioration. Fire and Flood risks are mitigated by suitable alarm systems and insurance.

People

The charity's effectiveness depends on a diverse board of Trustees and the abilities and motivation of staff. Our staff policies are designed to support this.

Through the risk management processes set up for the Charity, the Trustees are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

Investment policy

Investment activities are managed in line with the requirements of the Trustee Act 2000. The Trustees have appointed Sarasin & Partners LLP as investment manager. The investment objective is to achieve long-term capital and income growth through investment in the Sarasin Endowments Fund, which adopts an ethical policy. The risk profile of the mandate is managed within a range of 4 – 6 on a scale of 1 – 10.

The investment targets are to preserve the real value of investments against inflation and to have a yield of 3%. Funds not invested are held on deposit to earn interest.

The charity's portfolio of commercial and residential properties was revalued in 2021 to account for a reduction of capital values and Trustees do not consider any re-evaluation necessary at this time.

EASTBRIDGE HOSPITAL

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

PLANS FOR FUTURE PERIODS

The priority is the restoration and continuous upkeep of our two important heritage sites, as without these the Charity cannot operate.

During 2023 a new quinquennial survey has been undertaken by our conservation architects, Purcell Architecture Limited and a conservation plan is being created using it as a template.

Our plans will be partly financed from our income and from our reserves, but to cover the full cost of the very extensive restoration work that needs to be done to conserve these two important historical sites, the charity will be applying for grants to support this work.

We are mindful of the need for community involvement and the importance that grant making bodies place on its development. Our plans include developing activities in education and creating opportunities for training in conservation and garden management skills.

Increasing the footfall of visitors including tourists, is an important objective not only for the charity but for the economic sustainability of the City of Canterbury itself. We work closely with the local authority and other organisations to achieve this.

The Franciscan Gardens are a significant green space in the centre of the city of Canterbury, with the river flowing through them, which make them an important link in wildlife conservation in the area. We work closely with the local authority, the Environment Agency and other organisations to ensure that the management of the garden is based on best practice.

Wider environmental issues are also a high priority, and we are seeking for ways to make our buildings more energy efficient. We also are working to make more efficient use of water and supporting local recycling initiatives.

STRUCTURE GOVERNANCE AND MANAGEMENT

Constitution

The governing instrument of the Charity is an Ordinance of His Grace the Archbishop of Canterbury dated the 11th February 2016. The Eastbridge is registered as a charity under number 213319.

The Charity is restricted in the way it can operate to the extent that it is governed by the aforesaid ordinances and by charity law.

Method of appointment of Trustees

Trustees form the Council of Management and, with the exception of the Archdeacon of Canterbury whose appointment is ex officio, are appointed by the patron, the Archbishop of Canterbury, and hold office for five years. They may be reappointed to serve further terms. Trustees elect annually from their members a chairman. Trustees are selected wherever possible for their knowledge and expertise to further of the objects of the Charity.

During the year the Trustees were sorry to record the death of Mrs Sarah Perkins and the retirement of Mrs Alicia Pentin and of the Revd Kevin Goodman as Master. All three contributed greatly to the work of the charity and their support for the charity is missed. The Trustees hope to find some new Trustees in early 2022.

During the year under review the Archdeacon of Canterbury, Jo Kelly-Moore, was appointed Dean of St. Albans and the Trustees record their congratulations to her upon this appointment and their grateful thanks for all her support of Eastbridge Hospital during the time of her Archdeaconship.

EASTBRIDGE HOSPITAL

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

Induction and training of Trustees

The Trustee body requires breadth and depth of experience to carry out its duties effectively and efficiently. When recruiting new Trustees, the important attributes are a passion for the work of our Charity, an understanding of its role in the community, and in the conservation of our heritage. Where possible, the Trustees consider that the skills and experience of the Board should ideally include Trustees with experience in one or more of: legal issues, finance and accounting, architecture and conservation of heritage buildings, property management, and senior management or business. The current Trustee body meets this requirement.

The Trustees are appointed for a five-year renewable term by the Archbishop of Canterbury. In addition, the Archdeacon of Canterbury is an Ex-Officio Trustee.

Organisational structure and decision-making

The Trustees determine the general policy of the charity. The day to day running of the charity is delegated to the Clerk and Receiver.

TRUSTEES RESPONSIBILITIES STATEMENT

Trustees are responsible for preparing this report and the financial statements in accordance with applicable law and United Kingdom accounting standards.

The law applicable to charities in England and Wales 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 those resources 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 judgments and estimates that are reasonable and prudent;
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Charity will continue in operation

The Trustees are responsible for keeping 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 acts and charity accounting and reporting regulations together also with the provisions of the Eastbridge Ordinance. Trustees are also responsible for safeguarding the assets of the Charity and taking reasonable steps to prevent and detect fraud and other irregularities.

This report was approved by the Trustees and signed on their behalf by:-

Mr Robin Joy
Trustee

Date: 25 October 2023

EASTBRIDGE HOSPITAL

INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

Opinion

We have audited the financial statements of Eastbridge Hospital (the 'charity') for the year ended 31 December 2022 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. 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 2022 and of its incoming resources and application of resources, for the year 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 SORP 2019.

Basis for opinion

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

Conclusions relating to going concern

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 group and parent charity's ability to continue as a going concern for a period of at least 12 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.

Other information

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

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

We have nothing to report in this regard.

EASTBRIDGE HOSPITAL

INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

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 financial statements is inconsistent in any material respect with the trustees' report;
- sufficient accounting records have not been kept;
- 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 and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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. This description forms part of our auditor's report.

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.

EASTBRIDGE HOSPITAL

INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

Extent to which the audit was considered capable of detecting irregularities, including fraud (continued)

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

- Enquiry of senior leadership, Trustees 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 company 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 recognition of grant income and the allocation of expenditure to funds;
- 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 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.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Michelle Wilkes FCA (Senior Statutory Auditor)

For and on behalf of Azets Audit Services
32 – 33 Watling Street
Canterbury
Kent
CT1 2AN

Date: 31 October 2023

EASTBRIDGE HOSPITAL
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
For the year ended 31 December 2022

	Notes	Unrestricted funds 2022 £	Endowment funds 2022 £	Total 2022 £	Total 2021 £
Income from:					
Donations and grants	2	6,493	-	6,493	15,042
Charitable activities	3	127,167	-	127,167	72,441
Investments	4	203,682	-	203,682	337,512
Other income		-	-	-	1,162
Total income		337,342	-	337,342	426,157
Expenditure on:					
Raising funds		165,217	-	165,217	121,604
Charitable activities		536,842	83,777	620,619	358,776
Total expenditure	5	702,059	83,777	785,836	480,380
Net deficit before gains/(losses) on investments		(364,717)	(83,777)	(448,494)	(54,223)
Net gains/(losses) on investments	12, 13	(123,282)	-	(123,282)	99,966
Net movement in funds		(487,999)	(83,777)	(571,776)	45,743
Fund balances					
At 1 January 2022		6,921,890	4,188,870	11,110,760	11,065,017
At 31 December 2022		6,433,891	4,105,093	10,538,984	11,110,760

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

EASTBRIDGE HOSPITAL
COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
For the year ended 31 December 2022

		Unrestricted funds 2021 £	Restricted funds 2021 £	Endowment funds 2021 £	Total 2021 £
Year ended 31 December 2021	Notes				
Income from:					
Donations and grants	2	7,082	7,960	-	15,042
Charitable activities	3	72,441	-	-	72,441
Investments	4	337,512	-	-	337,512
Other income		1,162	-	-	1,162
Total income		418,197	7,960	-	426,157
<u>Expenditure on:</u>					
Raising funds		121,604	-	-	121,604
Charitable activities		279,176	79,600	-	358,776
Total expenditure	5	400,780	79,600	-	480,380
Net deficit before gains/(losses) on investments		17,417	(71,640)	-	(54,223)
Net gains/(losses) on investments	12 & 13	99,966	-	-	99,966
Net movement in funds		117,383	(71,640)	-	45,743
Fund balances					
At 1 January 2021		6,804,507	71,640	4,188,870	11,065,017
At 31 December 2021		6,921,890	-	4,188,870	11,110,760

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

EASTBRIDGE HOSPITAL
BALANCE SHEET
As at 31 December 2022

	Notes	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Tangible assets	10		1,763,305		5,989,090
Heritage assets	11		4,177,531		72,438
Investment properties	12		3,264,167		3,589,167
Investments	13		1,188,871		1,474,691
			10,393,874		11,125,386
Current assets					
Stock - Finished goods for resale		2,976		5,287	
Debtors	14	30,142		183,097	
Cash at bank and in hand		456,093		101,597	
		489,211		289,981	
Creditors: amounts falling due within one year	15	(209,195)		(140,174)	
Net current assets			280,016		149,807
Total assets less current liabilities			10,673,890		11,275,193
Creditors: amounts falling due after more than one year	17		(134,906)		(164,433)
Net assets			10,538,984		11,110,760
Funds					
Endowment funds	19		4,105,093		4,188,870
<u>Unrestricted funds:</u>					
Designated funds	21	6,099,910		6,730,906	
General unrestricted fund		333,981		190,984	
			6,433,891		6,921,890
	25		10,538,984		11,110,760

The financial statements were approved by the Trustees on 25 October 2023 and signed on their behalf by:

Mr Robin Joy
Trustee

EASTBRIDGE HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

I. Accounting policies

a. Basis of preparation

The charity constitutes a public benefit entity as defined by FRS 102. 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

b. Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

c. 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.

Legacies

These are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Accommodation

Contribution towards maintenance of the flats is based on accommodation of the flats and is recognised when the accommodation is occupied.

Hospital Buildings

Donations and entrance fees are collected daily and are recognised upon receipt.

Investment property Rental Income

Invoices are raised quarterly based on occupied properties in accordance with the assigned leases. Income is recognised for the periods in which the properties are let.

Investment Income

Investment income from the managed portfolio is recognised upon receipt.

EASTBRIDGE HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. Accounting policies (continued)

d. 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.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements. Costs of raising funds are costs incurred in attracting voluntary income.

Grants payable are charged in the year 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 year end are noted as a commitment, but not accrued as expenditure.

Support costs are allocated between the cost of raising funds, Accommodation and Heritage and Education equally in line with both recurring income and time expensed on each activity.

All expenditure is inclusive of irrecoverable VAT.

e. Tangible fixed assets

Capital assets acquired are shown in the balance sheet. Capital items over £1,000 are capitalised.

Assets received by way of gift are capitalised at their estimated market value at the date of the gift and the corresponding credit included under donations on the statement of financial activities.

Heritage assets represent the Hospital Building which was capitalised at deemed value. This is depreciated in line with other Tangible Fixed assets as set out below.

Other heritage assets are capitalised at cost. These assets are preserved, and in view of their expected residual value and indeterminate useful life, any periodic depreciation charge would, in the opinion of the trustees, be immaterial.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

- Freehold property – 2% straight line
- Land - Not depreciated
- Fixtures and fittings - 10% reducing balance
- Computer equipment - 33% straight line

f. Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

EASTBRIDGE HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

l. Accounting policies (continued)

g. Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

h. Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

i. Stock

Stock is stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, overheads that have been incurred in bringing the stock to its present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stock over its estimated selling price less costs to complete and sell is recognised as an impairment in the statement of financial activities. Reversals of impairment losses are also recognised in the statement of financial activities.

j. Debtors and creditors

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.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received. Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

k. Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

l. 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.

m. 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.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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.

EASTBRIDGE HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

I. Accounting policies (continued)

n. Financial instruments

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

o. Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The following judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies that have had the most significant effect on amounts recognised in the financial statements:

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 9 for the carrying amount of the property plant and equipment, and note 1.e for the useful economic lives for each class of assets.

Bad debts

Debtors are regularly reviewed for recoverability, any debts which in the opinion of management are not recoverable are provided for as a specific bad debt.

There are no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

EASTBRIDGE HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2022

2. Donations and grants				2022	2021
				£	£
Donations and gifts				2,650	9,309
Government Grant - CBILS loan interest				3,843	5,733
				<u>6,493</u>	<u>15,042</u>
3. Charitable activities				2022	2021
				£	£
Accommodation				43,397	43,426
Hospital Buildings				83,770	29,015
				<u>127,167</u>	<u>72,441</u>
4. Investments				2022	2021
				£	£
Commercial property rents				165,712	297,269
Income from listed investments				37,970	40,241
Interest receivable				-	2
				<u>203,682</u>	<u>337,512</u>
5. Expenditure	Activities	Grant			
	undertaken	funding of	Support	Total	Total
	directly	activities	costs	2022	2021
	£	£	£	£	£
Cost of raising funds	147,018	-	18,199	165,217	121,604
Charitable activity:					
Accommodation	78,311	-	101,649	179,960	88,629
Heritage and Education	380,911	4,350	55,398	440,659	270,147
	<u>606,240</u>	<u>4,350</u>	<u>175,246</u>	<u>785,836</u>	<u>480,380</u>
6. Support costs				2022	2021
				£	£
Sundry expenses				8,393	3,896
Irrecoverable VAT				2,212	2,071
Telephone				3,778	7,789
Bank charges and interest				17,804	9,086
Advertising and stationery				1,786	3,794
Subscriptions				1,222	737
Rates and water				1,721	2,160
Accountancy				2,780	8,415
Legal and professional				2,133	-
Depreciation				121,717	3,934
Governance costs - Audit fees				11,700	2,865
				<u>175,246</u>	<u>44,747</u>

EASTBRIDGE HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2022

7. Grants	2022 no.	2022 £	2021 no.	2021 £
Eastbridge Award Scheme grants made	3	<u>4,350</u>	3	<u>3,900</u>

The Eastbridge Award Scheme offers financial support to both young people (aged 14-19) and young adults (aged 19-25) who wish to undertake a project which will challenge themselves and improve the lives of others. As a Christian Foundation, the Eastbridge Hospital is eager to promote projects which advance the welfare of others. However, no particular faith commitment is required of applicants. All applications are reviewed by the trustees.

8. Trustees

None of the trustees (or any persons connected with them) received any remuneration, benefits or reimbursement of expenses from the charity during the year.

9. Staff

Staff costs

Staff costs during the year were:

	2022 £	2021 £
<i>Staff costs were as follows:</i>		
Wages and salaries	139,091	93,838
Employers National Insurance	5,159	906
Pension costs	2,096	-
	<u>146,346</u>	<u>94,744</u>

Staff numbers

The average monthly number of employees (all relating to charitable activities) was 10 (2021: 6).

Higher paid staff

There were no employees whose annual remuneration was £60,000 or more.

Key management personnel

The key management personnel comprise those listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their service to the charity was £52,156 (2021: £28,665).

Redundancy costs

Redundancy costs for the year totalled £nil (2021 - £500). The accounting policy is to recognise termination payment liabilities on communication of intention to pay and when quantifiable. Such payments are accounted for as staff costs.

EASTBRIDGE HOSPITAL
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2022

10. Tangible fixed assets

	Freehold land and buildings £	Fixtures and fittings £	Total £
Cost			
At 1 January 2022	5,959,121	39,316	5,998,437
Additions	-	1,025	1,025
Transfer between classes	(4,188,870)	-	(4,188,870)
At 31 December 2022	1,770,251	40,341	1,810,592
Depreciation			
At 1 January 2022	-	9,347	9,347
Charge for the year	33,903	4,037	37,940
At 31 December 2022	33,903	13,384	47,287
Net book value			
At 31 December 2022	1,736,348	26,957	1,763,305
At 31 December 2021	5,959,121	29,969	5,989,090

Included within Freehold land and buildings is land value of £75,121 (2021 - £75,121).

11. Heritage assets

	Total £
Cost	
At 1 January 2022	72,438
Transfer between classes	4,188,870
At 31 December 2022	4,261,308
Depreciation	
At 1 January 2022	-
Charge for the year	83,777
At 31 December 2022	83,777
Net book value	
At 31 December 2022	4,177,531
At 31 December 2021	72,438

Heritage assets purchased relate to the Grade I listed building of the Hospital together with maps and other historic artifacts relating to the charity which are displayed in the Hospital.

EASTBRIDGE HOSPITAL
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2022

12. Investment property	2022	2021
	£	£
Fair value		
At 1 January 2022	3,589,167	3,889,167
Disposal	(387,532)	-
Reclassification	-	(300,000)
Revaluations	62,532	-
At 31 December 2022	<u>3,264,167</u>	<u>3,589,167</u>

The 2022 valuations were made by the trustees, on an open market value for existing use basis.

13. Fixed asset investments	Listed securities	Cash in portfolio	Total 2022	2021
	£	£	£	£
Cost or valuation				
At 1 January 2022	1,474,150	541	1,474,691	1,424,747
Additions	-	137,970	137,970	90,251
Disposals	(100,000)	(137,976)	(237,976)	(140,273)
Revaluations	(185,814)	-	(185,814)	99,966
At 31 December 2022	<u>1,188,336</u>	<u>535</u>	<u>1,188,871</u>	<u>1,474,691</u>
<i>Investments at market value comprise:</i>				
United Kingdom	255,268	535	255,803	541,623
Overseas	933,068	-	933,068	933,068
	<u>1,188,336</u>	<u>535</u>	<u>1,188,871</u>	<u>1,474,691</u>
<i>Asset distribution</i>			2022	2021
			£	£
Fixed Income			143,971	136,387
Equities and Funds			806,254	1,072,410
Property			54,600	60,072
Alternatives			156,143	149,927
Liquid Assets			27,903	55,895
			<u>1,188,871</u>	<u>1,474,691</u>

Historical cost of the portfolio above was £1,101,533 (2021 - £1,197,183).

The investments are held in a multi-asset Sarasin Endowment fund Class A fund. None of the included assets are in excess of 5% of the portfolio value.

14. Debtors	2022	2021
	£	£
Trade debtors	8,094	171,382
VAT recoverable	18,252	5,652
Prepayments	3,796	-
	<u>30,142</u>	<u>177,034</u>

EASTBRIDGE HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2022

15. Creditors: amounts falling due within one year	2022	2021
	£	£
Trade creditors	74,534	21,975
Other creditors	40,222	54,123
Accruals and deferred income	64,584	34,113
Loan (Note 17)	29,855	23,900
	<u>209,195</u>	<u>134,111</u>

16. Deferred income	2022	2021
	£	£
Deferred income is included within:		
Creditors due within one year	<u>26,563</u>	<u>26,563</u>
Deferred income at 1 January 2022	26,563	26,563
Released from previous years	(26,563)	(26,563)
Resources deferred in the year	<u>26,563</u>	<u>26,563</u>
Deferred income at 31 December 2022	<u>26,563</u>	<u>26,563</u>

17. Creditors: amounts falling due after one year	2022	2021
	£	£
Loan	<u>134,906</u>	<u>164,433</u>
	<u>134,906</u>	<u>164,433</u>

Loans shown in note 15 and 17 are due as follows:	2022	2021
	£	£
Within one year	29,855	23,900
Between one and two years	35,300	35,545
Between two and five years	97,853	106,533
After five years	<u>1,753</u>	<u>22,355</u>
	<u>164,761</u>	<u>188,333</u>

There are two Coronavirus Business Interruption loans for six years annual interest at 3.3%. Loan 1 was taken out in May 2020 with repayments commencing in June 2021, loan 2 was taken out in June 2021 with repayments starting in July 2021.

18. Retirement benefit schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

EASTBRIDGE HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2022

19. Endowment funds	2022 £	2021 £
Balance brought forward	4,188,870	4,188,870
Depreciation	(83,777)	
Balance carried forward	4,105,093	4,188,870

The endowment fund represents the original buildings of the charity, together with subsequent increases and decreases.

20. Restricted fund	2022 £	2021 £
CLF Lottery Grant Fund		
Balance brought forward	-	71,640
Income	-	7,960
Expenditure	-	(79,600)
Balance carried forward	-	-

This fund represents a grant from the Heritage Lottery Fund towards the cost of the project to open the Franciscan Gardens to the public from summer 2021. It includes preparation of the site and making safe part of the 17th century Lovelace Wall.

21. Designated funds	Balance at 01 Jan 22 £	New designations £	Designations released £	Gains / (losses) £	Balance at 31 Dec 22 £
CURRENT YEAR					
New Almshouse fund	1,269,081	-	(1,269,081)	-	-
Investment fund	3,589,167	500,000	(325,000)	-	3,764,167
Restoration fund		500,000	-		500,000
Asset fund	1,872,658	-	(36,915)	-	1,835,743
	6,730,906	1,000,000	(1,630,996)	-	6,099,910
PRIOR YEAR					
New Almshouse fund	1,184,455	-	-	84,626	1,269,081
Investment Fund	3,979,460	-	(390,293)	-	3,589,167
Asset fund	1,564,750	311,842	(3,934)	-	1,872,658
	6,728,665	311,842	(394,227)	84,626	6,730,906

Investment Fund

This fund represents tangible fixed assets in the form of investment properties and managed investment portfolio which are used by the charity for both the purposes of income generation and capital appreciation and thus do not form part of the charity's free reserves.

Asset Fund

This fund represents buildings acquired following the formation of the charity that do not form part of the Permanent Endowment, fixtures and fittings together with heritage assets which are for charitable use.

Restoration fund

This fund has been set aside by the Trustees to cover exceptional expenditure on restoration of the heritage properties over a two year period.

EASTBRIDGE HOSPITAL
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2022

22. Operating lease agreements where the charity is lessor

At 31 December 2022 the total of the charity's future minimum lease receipts under non-cancellable operating leases was:

	2022	2021
	£	£
Due within one year	142,279	143,675
Due between two and five years	152,625	175,500
Due after five years	11,000	33,000
	305,904	352,175

23. Related party transactions

There have been no transactions with related parties during the period under review (2021 - none).

24. Post Balance Sheet Events

Trustees have agreed that a change to CIO status would improve the effectiveness and administration of the charity. A new CIO – Eastbridge Hospital - No 1177727 has already been created and on 31 December 2023 all the assets and obligations of the existing charity will be transferred to the CIO.

25. Analysis of net assets between funds

	Endowment fund	Designated funds	Unrestricted funds	Total 2022
	£	£	£	£
Current year				
Tangible assets	-	1,763,305	-	1,763,305
Heritage assets	4,105,093	72,438	-	4,177,531
Investments	-	4,264,167	188,871	4,453,038
Current assets	-	-	489,211	489,211
Creditors: amounts falling due within one year	-	-	(209,195)	(209,195)
Creditors: amounts falling due after one year	-	-	(134,906)	(134,906)
	4,105,093	6,099,910	333,981	10,538,984
Prior year				
Tangible assets	4,188,870	1,800,220	-	5,989,090
Heritage assets	-	72,438	-	72,438
Investments	-	3,589,167	1,474,691	5,063,858
Current assets	-	1,269,031	(979,050)	289,981
Creditors: amounts falling due within one year	-	-	(140,174)	(140,174)
Creditors: amounts falling due after one year	-	-	(164,433)	(164,433)
	4,188,870	6,730,856	191,034	11,110,760

EASTBRIDGE HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2022

26. Financial Instruments

	2022	2021
	£	£
Financial assets valued at fair value through income and expenditure	1,188,871	1,474,691
Financial assets measured at amortised cost	8,094	171,382
	<u>1,196,965</u>	<u>1,646,073</u>
Financial liabilities measured at amortised cost	<u>40,222</u>	<u>82,161</u>

Financial assets valued at fair value through income and expenditure comprise investments.

Financial assets measured at amortised cost comprise trade debtors.

Financial liabilities measured at amortised cost comprise other creditors.

EASTBRIDGE HOSPITAL (OR ST THOMAS)

England & Wales - Charity number 213319

Accounts

Charity Registration No. 213319

EASTBRIDGE HOSPITAL
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

EASTBRIDGE HOSPITAL

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EASTBRIDGE HOSPITAL

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Mr Christopher Robinson (Chairman)
Mr Peter Brown
The Reverend Dr. Perry Butler
Mr Christopher Head
Mr Robin Joy
Mrs Alicia Pentin (Resigned May 2021)
Mr Nicholas Rooke
Mrs Cressida Williams
The Venerable Archdeacon of Canterbury (Ex Officio)

Charity number

213319

Principal office

25 High Street, Canterbury, Kent, CT1 2BD

Senior management team

The Reverend Kevin Goodman - Master of Eastbridge Hospital (Retired July 2021)
Nicholas Andrews - Clerk and Receiver
Louise Knight - Deputy Clerk

Independent auditors

Magee Gammon Corporate Limited
Henwood House, Henwood, Ashford, Kent, TN24 8DH

Bankers

National Westminster Bank plc
11 The Parade, Canterbury, Kent CT1 2SG

Solicitors

Furley Page
39 St Margaret's Street, Canterbury, Kent, CT1 2TX

Investment Advisers

Sarasin & Partners LLP
Juxon House, 100 St Pauls Churchyard, London, EC4M 8BU

Architects

Donald Insall Associates
12 Devonshire Street, London, W1G 7AB

Surveyors and Land Agents (commercial properties)

Godden Allen Lawn
The Old Dairy, Cherrybrook Road, Folkestone, Kent, CT20 3JX

EASTBRIDGE HOSPITAL

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

The Trustees present their annual report together with the audited financial statements of the Charity for the year ended December 31, 2021 and confirm these comply with current statutory requirements, the Charity's Ordinance (its governing instrument) and the provisions of the Statement of Recommended Practice "accounting and reporting by charities "(SORP).

The full name of the Charity is the Hospital of St Thomas the Martyr Eastbridge in the City of Canterbury, but more often known simply as (the) Eastbridge.

OBJECTIVES AND ACTIVITIES

The principal objects of the Charity are:

- To provide almshouse accommodation in the Eastbridge for as many residents and under such terms as the Council of Management considers appropriate;
- To maintain the fabric of the Eastbridge buildings;
- To maintain an educational fund to be used at the discretion of the Council of Management;
- To further Christian education in the Canterbury area;
- To make such provision for pilgrims and the promotion of the Christian faith amongst visitors to the Eastbridge as may seem appropriate.

Strategies for achieving the objectives

Maintenance and repairs to the fabric of the Charity's buildings is subject to a rolling programme which is reviewed regularly and changes made to meet urgent need. The Trustees employ a conservation architect to oversee and advise them on work to the historic buildings under their control. Long-term, the Trustees aim to provide modern, purpose-built almshouse accommodation on a site yet to be determined to replace the current accommodation which is not, by modern standards, suitable for those with reduced mobility. The trustees will continue to explore options for providing new almshouses.

The Charity's educational objectives are achieved through promoting the Eastbridge Award scheme and the Eastbridge Parker Exhibition.

Activities for achieving objectives

The Trustees will specifically fund raise where necessary and appropriate.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities

Factors relevant to achieving objectives

In order to meet its objectives, Eastbridge is reliant principally upon the receipt of investment income and income from commercial rents. This income is variable and thus subject to changes in the economic climate generally. This risk, and these financial constraints, are understood and managed by the Trustees. Trustees thus hope to minimise, through timely intervention and a spread of investments, severe swings in stock market performance and commercial trading. Specific action (mentioned below) was taken by trustees in 2021 to ensure so far as possible objectives were achieved notwithstanding significant loss of income because of the Covid pandemic.

EASTBRIDGE HOSPITAL

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

ACHIEVEMENTS AND PERFORMANCE

Due to the Covid lockdown and need to protect vulnerable almshouse residents, the use of the Hospital buildings for events, exhibitions and so forth has not been possible during 2021. The trustees hope to re-open the Hospital to visitors through guided tours from Easter 2022.

Care of the Indwellers remained a high priority for Trustees. Regular contact with Indwellers has been maintained throughout the pandemic to ensure their well-being and appropriate precautions have been taken within the Hospital to ensure best practice and safety is paramount. Indwellers have been encouraged to observe all government regulations and advice to ensure they remain safe and well free from exposure to Covid. They have also been fully supported during this difficult time by the Hospital's officers

Trustees continued their oversight of the Charity's buildings for which they have responsibility albeit restrictions on movement meant it was not possible to undertake many of the recommended rolling programme of repairs and maintenance.

The Trustees believe with due diligence they can continue to ensure that the Charity for which they are responsible continues to serve the community but are mindful of the need to monitor risk and ensure the administration of the Charity meets modern expectations and is as economically efficient as possible. The finances of the charity are kept under close review and the trustees are aware that expenditure has exceeded income in recent years.

Within the Eastbridge are eight flats for Indwellers, one of which was occupied by the Master before his retirement. During the year, the Hospital's offices were relocated next door above the newly opened Franciscan Gardens shop at 60 St Peter's Street. Following professional advice from a heritage landscape and design consultant, trustees embarked upon a project to restore The Franciscan Gardens to a setting more in keeping with its medieval provenance and were able to open the gardens in July to visitors, having newly employed a visitor manager and other staff. The restoration, which will be ongoing for some years, has been warmly received and has already become a significant visitor attraction within the City of Canterbury and especially for those wishing to find peace and quiet in an otherwise bustling city. The Trustees would like to express their gratitude for the support of the Heritage Lottery Fund and the grant from the Culture Recovery Fund for Heritage which enabled the project to move ahead more rapidly by improving access to the site and making safe part of the 17th century Lovelace Wall.

The health of most of the almshouse Indwellers was reasonably good having regard to their seniority of age. In the past when filling vacancies, preference has been given to those of retirement age in need of permanent accommodation and who practise the Christian faith. Under the terms of their Ordinance the Trustees may, however, permit admission to Eastbridge those of younger age who remain in employment and where the need for accommodation may be less permanent and also those who, in the opinion of the Trustees, are in need generally.

Insofar as it has been possible during the Covid restrictions, the Eastbridge's two chapels and Greyfriars Chapel in the Franciscan Gardens have been used for worship. Regrettably, it has not been possible to host functions in Eastbridge or the Franciscan Gardens because of the Covid pandemic.

EASTBRIDGE HOSPITAL

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

Eastbridge has, since the 16th century, contributed towards the Matthew Parker exhibitions at Corpus Christi College Cambridge. These exhibitions were originally for King's School scholars but, since 1998 when the scheme was revised, now provided through the Eastbridge Parker exhibition for undergraduates coming from any school within the city of Canterbury. Where no such scholars meet those criteria the college is permitted to select its own candidates for the award, but is required to prefer candidates who come from backgrounds with a predominantly low income or have other particular needs which require to be met. The Trustees visit Corpus Christi College to meet tutorial staff and in return the Eastbridge Parker exhibition students are invited to the Eastbridge annually (except when Covid regulations prevent such visits).

The Charity also maintains the Eastbridge Award scheme for the benefit of state schools within the catchment area served by Canterbury City Council. The scheme was revised in 2020 and grants were made to three primary schools in 2021 for specific projects.

The Charity's two websites www.eastbridgehospital.org.uk and www.theFranciscangardens.org.uk are a means of furthering interest in both the Eastbridge and The Franciscan Gardens and it is apparent that many pilgrim visitors come having first accessed information about both through the web site. In 2021 a separate website for The Franciscan Gardens was launched.

Eastbridge Hospital retains patronage of the living at Blean just outside Canterbury although this has less practical significance than it once did. The Charity retains a small land holding at Blean adjoining the church.

The present Master, The Reverend Kevin Goodman, formerly a Franciscan Brother, retired in June 2021 and trustees are presently considering what role a future Master should have within the charity before seeking a replacement.

The remaining estate belonging to the Eastbridge consists primarily of commercial and residential premises and the Franciscan Gardens, all of which is managed effectively by the Trustees with the benefit of professional advice. The Charity is fortunate in having all but one of its commercial premises let though trustees are aware of current retail trading difficulties largely as a result of the Covid pandemic and some loss of income from commercial rents during the year was inevitable. Action for recovery of losses from one commercial tenant had, unfortunately, to be taken following professional advice obtained by trustees and a successful outcome was achieved in December.

FINANCIAL REVIEW

Income for the year totalled £426,157 (2020: £387,585) and expenditure £480,380 (2020: £442,268) which resulted in net expenditure in the year of £54,223 (2020: £54,683). Net income in respect of unrestricted general fund was £17,417 (2020: net expenditure of £126,323).

The Balance sheet has total funds of £111,110,760 (2020: £111,065,017) the majority of which are represented by Tangible Fixed Assets.

Net current assets stood at £143,707 (2020: £84,150) - See Reserves policy below.

EASTBRIDGE HOSPITAL

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

Reserves policy

The Trustees have agreed that reserves of unrestricted funds should be maintained at a level to cover potential debts and deficits from running costs. Ideally, Trustees aim to retain as a minimum £75,000 (2020: £75,000) in unrestricted funds though Trustees know from experience this figure can change during the year, largely because of the unpredictability of the cost of maintaining the fabric of the Charity's properties, which is either scheduled ancient monument or Grade I or II Listed.

Trustees do, therefore, keep their reserves policy under constant review and they try to ensure that annual, planned expenditure can be met from anticipated income derived from investments, commercial rents and visitors' contributions. However, because of problems getting contractors on site during the Covid pandemic, there is a backlog of maintenance to be tackled.

Unrestricted funds at the year end amounted to £190,984 (2020: £75,842).

Designated funds at the year end amounted to £6,730,906 (2020: £6,728,665).

Restricted funds at the year end amounted to £nil (2020: £71,640).

Endowment funds at the year end amounted to £4,188,870 (2020: £4,188,870).

Total funds at the year end amounted to £11,110,760 (2020: £11,065,017).

Principal funding

The Charity's principal funding is derived from investment income and commercial rents. Some funding is also obtained through visitors' fees and donations though as this was severely curtailed in 2021 and commercial rental income reduced because of the Covid pandemic. The trustees took the decision to borrow a further £100,000 under the government inspired CBILS Loan Scheme repayable over five years with the first year's interest covered by the government. Receipt of this loan has enabled the charity to function to the best of its ability in very difficult and unique times. Trustees anticipate when they can once more be open to visitors and retail trading improves, the finances of the charity will once more be sufficient without recourse to borrowing of this kind. In taking out the loan trustees evaluated the risks and have satisfied themselves the charity has more than sufficient resources to cover a loan of this magnitude.

Risk management

Trustees have assessed the major risks to which the Charity is exposed including those relating to the operations and finances of the Charity. Trustees consider the principal areas of risk for which they must have regard include fire, flood, loss of reputation, health and safety, loss of rent or investment income, fraud and unexpected cost of repairs.

In the year under review the trustees were also obliged to consider the effect of the Covid pandemic upon the charity and take safeguarding action as described below

Grant making policies

Educational grants are made under the Eastbridge Award scheme and the Eastbridge Parker Exhibition in accordance with the remit of those schemes.

Investment policy

The Trustees are professionally advised on the Charity's investments by Sarasin and Partners which appointment is reviewed regularly. Ethical responsibility informs the Trustees thinking on investment coupled with the realism necessary to achieve the best return on investments and this was discussed in detail with the Trustees new investment advisers.

EASTBRIDGE HOSPITAL

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

PLANS FOR FUTURE PERIODS

The Trustees long term aim is to build new almshouses together with ancillary accommodation either on land they already own or to be purchased within the vicinity of Canterbury or perhaps jointly with another almshouse. Although it is becoming increasingly difficult, and draining upon financial resources, the Trustees will continue to do their best to keep their ancient and historic almshouse buildings maintained to a high standard suitable for Indwellers until new and improved accommodation can be offered.

The remainder of the charity's estate consists also of either listed buildings or scheduled ancient monument which is equally draining of liquid investments and income. With a view to long term management of this situation trustees are urgently seeking solutions and options and towards the end of 2021 held a trustee away day concentrating on the risks and threats to the charity and considering its future. These deliberations will continue apace in 2022 and beyond.

STRUCTURE GOVERNANCE AND MANAGEMENT

Constitution

The governing instrument of the Charity is an Ordinance of His Grace the Archbishop of Canterbury dated the 11th February 2016. The Eastbridge is registered as a charity under number 213319.

The Charity is restricted in the way it can operate to the extent that it is governed by the aforesaid ordinances and by charity law.

Method of appointment of Trustees

Trustees form the Council of Management and, with the exception of the Archdeacon of Canterbury whose appointment is ex officio, are appointed by the patron, the Archbishop of Canterbury, and hold office for five years. They may be reappointed to serve further terms. Trustees elect annually from their members a chairman. Trustees are selected wherever possible for their knowledge and expertise to further of the objects of the Charity.

During the year the trustees were sorry to record the death of Mrs Sarah Perkins and the retirement of Mrs Alicia Pentin and of the Revd Kevin Goodman as Master. All three contributed greatly to the work of the charity and their support for the charity is missed. The trustees hope to find some new trustees in early 2022.

During the year under review the Archdeacon of Canterbury, Jo Kelly-Moore, was appointed Dean of St. Albans and the trustees record their congratulations to her upon this appointment and their grateful thanks for all her support of Eastbridge Hospital during the time of her Archdeaconship.

Induction and training of Trustees

New Trustees are provided with a history of the Eastbridge together with an account of its activities, copies of recent minutes and all other relevant documents. All Trustees are encouraged to participate in regular training and awareness programmes.

EASTBRIDGE HOSPITAL

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

Organisational structure and decision-making

Trustees' policy and decisions taken at duly constituted meetings are implemented by the Chairman of Trustees aided by the officers of the charity who are the Clerk and Receiver to the Eastbridge, the Deputy Clerk (formerly the Bursar) and the Master. The Master has day-to-day pastoral and spiritual oversight, especially of the residents of Eastbridge who are known by their historic description of "Indwellers". All actions of the Eastbridge officers must be taken in the best interests of the Eastbridge and they report accordingly at Trustee meetings. Matters of significance arising outside Trustee meetings are either dealt with electronically between Trustees with officer support or by various sub-committees of the Charity so that appropriate, and timely, action can be taken.

The trustees wish to record their gratitude to all officers and employees of the charity for their unstinting help and advice during what has proved to be a particularly difficult and challenging time.

TRUSTEES RESPONSIBILITIES STATEMENT

Trustees are responsible for preparing this report and the financial statements in accordance with applicable law and United Kingdom accounting standards.

The law applicable to charities in England and Wales 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 those resources 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 judgments and estimates that are reasonable and prudent;
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Charity will continue in operation

The Trustees are responsible for keeping 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 acts and charity accounting and reporting regulations together also with the provisions of the Eastbridge Ordinance. Trustees are also responsible for safeguarding the assets of the Charity and taking reasonable steps to prevent and detect fraud and other irregularities.

This report was approved by the Trustees on the 4th day of April 2022:

And signed on their behalf by:-



Mr Christopher Robinson
Chairman of Trustees

EASTBRIDGE HOSPITAL

INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

Opinion

We have audited the financial statements of Eastbridge Hospital (the 'charity') for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. 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 2021 and of its incoming resources and application of resources, for the year 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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 group and parent charity's ability to continue as a going concern for a period of at least 12 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.

EASTBRIDGE HOSPITAL

INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 financial statements is inconsistent in any material respect with the trustees' report;
- sufficient accounting records have not been kept;
- 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 set out on page 7 the trustees are responsible for the preparation of 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 company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under the Charities Act 2011, s. 144 and report in accordance with regulations made under 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

EASTBRIDGE HOSPITAL

INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Capability of the audit in detecting irregularities including fraud

Based on our understanding of the company, we have considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management incentives and opportunities for fraudulent manipulation of the financial statements including management override, and considered that the principal risk was related to the posting of inappropriate journal entries to improve the result before tax for the year.

We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion.

Procedures performed by the audit team included:

- Discussions with management regarding known or suspected instances of non-compliance with laws and regulations;
- Evaluation of controls designed to prevent and detect irregularities; and
- Assessing journal entries as part of our planned audit approach.

There are inherent limitations in the audit procedures described above, and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. As in all of our audits we also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

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. This description forms part of our auditor's report.

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.


Magee Gammon Corporate Limited
Statutory Auditor
Henwood House, Henwood, Ashford, Kent, TN24 8DH
Date: 30 July 2022

Magee Gammon Corporate Limited is eligible to act as an auditor in terms of the Companies Act 2006, s. 1212

EASTBRIDGE HOSPITAL
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
For the year ended 31 December 2021

		Unrestricted	Restricted	Endowment		
		funds	funds	funds	Total	Total
		2021	2021	2021	2021	2020
	Notes	£	£	£	£	£
Income from:						
Donations and grants	2	7,082	7,960	-	15,042	81,828
Charitable activities	3	72,441	-	-	72,441	40,893
Investments	4	337,512	-	-	337,512	258,970
Other income		1,162	-	-	1,162	5,894
Total income		418,197	7,960	-	426,157	387,585
Expenditure on:						
Raising funds		121,604	-	-	121,604	85,902
Charitable activities		279,176	79,600	-	358,776	356,366
Total expenditure	5	400,780	79,600	-	480,380	442,268
Net deficit before gains/(losses) on investments		17,417	(71,640)	-	(54,223)	(54,683)
Net gains/(losses) on investments	13	99,966	-	-	99,966	(221,874)
Net movement in funds		117,383	(71,640)	-	45,743	(276,557)
Fund balances						
At 1 January 2021		6,804,507	71,640	4,188,870	11,065,017	11,341,574
At 31 December 2021		6,921,890	-	4,188,870	11,110,760	11,065,017

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

EASTBRIDGE HOSPITAL
COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
For the year ended 31 December 2021

		Unrestricted	Restricted	Endowment	
		funds	funds	funds	Total
		2020	2020	2020	2020
	Notes	£	£	£	£
Income from:					
Donations and grants	2	10,188	71,640	-	81,828
Charitable activities	3	40,893	-	-	40,893
Investments	4	258,970	-	-	258,970
Other income		5,894	-	-	5,894
Total income		315,945	71,640	-	387,585
<u>Expenditure on:</u>					
Raising funds		85,902	-	-	85,902
Charitable activities		356,366	-	-	356,366
Total expenditure	5	442,268	-	-	442,268
Net deficit before gains/(losses) on investments		(126,323)	71,640	-	(54,683)
Net gains/(losses) on investments	12 & 13	(221,874)	-	-	(221,874)
Net movement in funds		(348,197)	71,640	-	(276,557)
Fund balances					
At 1 January 2020		7,152,704	-	4,188,870	11,341,574
At 31 December 2020		6,804,507	71,640	4,188,870	11,065,017

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

EASTBRIDGE HOSPITAL

BALANCE SHEET

As at 31 December 2021

	Notes	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Tangible assets	10		5,989,090		5,681,182
Heritage assets	11		72,438		72,438
Investment properties	12		3,589,167		3,889,167
Investments	13		1,474,691		1,424,747
			11,125,386		11,067,534
Current assets					
Stock - Finished goods for resale		5,287		-	
Debtors	14	183,097		67,716	
Cash at bank and in hand		101,597		109,998	
		289,981		177,714	
Creditors: amounts falling due within one year	15	(146,274)		(93,564)	
Net current assets			143,707		84,150
Total assets less current liabilities			11,269,093		11,151,684
Creditors: amounts falling due after more than one year	16	(158,333)		(86,667)	
Net assets			11,110,760		11,065,017
Funds					
Endowment funds	18		4,188,870		4,188,870
Restricted funds	19		-		71,640
<u>Unrestricted funds:</u>					
Designated funds	20	6,730,906		6,728,665	
General unrestricted fund		190,984		75,842	
			6,921,890		6,804,507
	23		11,110,760		11,065,017

The financial statements were approved by the Trustees on 4 April 2022 and signed on their behalf by:



Mr Christopher Robinson
Chairman of Trustees

EASTBRIDGE HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. Accounting policies

a. Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011 and "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 for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements 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 Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

b. Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

c. 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.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Accommodation

Contribution towards maintenance of the flats is based on accommodation of the flats and is recognised when the accommodation is occupied.

Hospital Buildings

Donations and entrance fees are collected daily and are recognised upon receipt.

EASTBRIDGE HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. Accounting policies (continued)

Investment property Rental Income

Invoices are raised quarterly based on occupied properties in accordance with the assigned leases. Income is recognised for the periods in which the properties are let.

Investment Income

Investment income from the managed portfolio is recognised upon receipt.

d. 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.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements. Costs of raising funds are costs incurred in attracting voluntary income.

Grants payable are charged in the year 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 year end are noted as a commitment, but not accrued as expenditure.

Support costs are allocated between the cost of raising funds, Accommodation and Heritage and Education equally in line with both recurring income and time expensed on each activity.

All expenditure is inclusive of irrecoverable VAT.

e. Tangible fixed assets

Capital assets acquired are shown in the balance sheet. Capital items over £1,000 are capitalised.

Land and buildings represent historic, listed buildings subject to regular maintenance and restoration, as such they have an indeterminate useful life and, in the opinion of the trustees, any periodic depreciation charge would be immaterial.

Assets received by way of gift are capitalised at their estimated market value at the date of the gift and the corresponding credit included under donations on the statement of financial activities.

Heritage assets are capitalised at their cost. These assets are preserved, and in view of their expected residual value and indeterminate useful life, any periodic depreciation charge would, in the opinion of the trustees, be immaterial.

EASTBRIDGE HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

l. Accounting policies (continued)

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

- Freehold property - Not depreciated (as above)
- Land - Not depreciated
- Fixtures and fittings - 10% reducing balance
- Computer equipment - 33% straight line

f. Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

g. Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

h. Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

i. Stock

Stock is stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, overheads that have been incurred in bringing the stock to its present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stock over its estimated selling price less costs to complete and sell is recognised as an impairment in the statement of financial activities. Reversals of impairment losses are also recognised in the statement of financial activities.

j. 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.

k. Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received. Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

EASTBRIDGE HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

l. Accounting policies (continued)

l. Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

m. 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.

n. 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 within interest payable and similar charges.

o. 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.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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.

p. Financial instruments

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

EASTBRIDGE HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

I. Accounting policies (continued)

q. Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The following judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies that have had the most significant effect on amounts recognised in the financial statements:

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 9 for the carrying amount of the property plant and equipment, and note I.h for the useful economic lives for each class of assets.

Bad debts

Debtors are regularly reviewed for recoverability, any debts which in the opinion of management are not recoverable are provided for as a specific bad debt.

There are no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

EASTBRIDGE HOSPITAL
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2021

2. Donations and grants	Unrestricted	Restricted	2021	2020
	£	£	£	£
Donations and gifts	1,349	7,960	9,309	72,062
Government Grant - CBILS loan interest	5,733	-	5,733	1,925
HMRC Furlough Grant	-	-	-	7,841
	<u>7,082</u>	<u>7,960</u>	<u>15,042</u>	<u>81,828</u>

3. Charitable activities	2021	2020
	£	£
Accommodation	43,426	40,665
Hospital Buildings	29,015	228
	<u>72,441</u>	<u>40,893</u>

4. Investments	2021	2020
	£	£
Commercial property rents	297,269	216,272
Income from listed investments	40,241	42,654
Interest receivable	2	44
	<u>337,512</u>	<u>258,970</u>

5. Expenditure	Activities undertaken directly	Grant funding of activities	Support costs	Total 2021	Total 2020
	£	£	£	£	£
Cost of raising funds	107,728	-	13,876	121,604	85,902
Charitable activity:					
Accommodation	72,448	-	16,181	88,629	129,095
Heritage and Education	251,557	3,900	14,690	270,147	227,271
	<u>431,733</u>	<u>3,900</u>	<u>44,747</u>	<u>480,380</u>	<u>442,268</u>

EASTBRIDGE HOSPITAL
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2021

6. Support costs	2021	2020
	£	£
Sundry expenses	3,896	5,139
Irrecoverable VAT	2,071	-
Telephone	7,789	4,598
Bank charges and interest	9,086	3,024
Advertising and stationery	3,794	3,458
Subscriptions	737	-
Rates and water	2,160	274
Accountancy	8,415	9,205
Depreciation	3,934	2,748
Governance costs:		
Audit fees	2,865	2,910
Clerkship costs	-	17,100
	44,747	48,456

7. Grants	2021	2021	2020	2020
	no.	£	no.	£
Eastbridge Award Scheme grants made	3	3,900	-	-

The Eastbridge Award Scheme offers financial support to both young people (aged 14-19) and young adults (aged 19-25) who wish to undertake a project which will challenge themselves and improve the lives of others. As a Christian Foundation, the Eastbridge Hospital is eager to promote projects which advance the welfare of others. However, no particular faith commitment is required of applicants. All applications are reviewed by the trustees.

8. Trustees

None of the trustees (or any persons connected with them) received any remuneration, benefits or reimbursement of expenses from the charity during the year.

9. Employees	2021	2020
	£	£
<i>Staff costs were as follows:</i>		
Wages and salaries	93,838	59,113
Employers National Insurance	906	2,670
	94,744	61,783

EASTBRIDGE HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2021

9. Employees (continued)

Redundancy costs for the year totalled £500 (2020 - £3,339). The accounting policy is to recognise termination payment liabilities on communication of intention to pay and when quantifiable. Such payments are accounted for as staff costs.

The average monthly number of employees (all relating to charitable activities) was 6 (2020: 7).

There were no employees whose annual remuneration was £60,000 or more.

10. Tangible fixed assets

	Freehold land and buildings £	Fixtures and fittings £	Total £
Cost			
At 1 January 2021	5,659,121	27,474	5,686,595
Additions	-	11,842	11,842
Reclassification	300,000	-	300,000
At 31 December 2021	5,959,121	39,316	5,998,437
Depreciation			
At 1 January 2021	-	5,413	5,413
Charge for the year	-	3,934	3,934
At 31 December 2021	-	9,347	9,347
Net book value			
At 31 December 2021	5,959,121	29,969	5,989,090
At 31 December 2020	5,659,121	22,061	5,681,182

11. Heritage assets

	Total £
Cost and net book value	
At 1 January 2021 and 31 December 2021	72,438

Heritage assets purchased relate to maps and other historic artifacts relating to the charity which are displayed in the Hospital.

EASTBRIDGE HOSPITAL
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2021

12. Investment property	2021	2020
	£	£
Fair value		
At 1 January 2021	3,889,167	4,204,837
Reclassification	(300,000)	-
Surplus / (deficit) on revaluation	-	(315,670)
At 31 December 2021	<u>3,589,167</u>	<u>3,889,167</u>

The 2021 valuations were made by the trustees, on an open market value for existing use basis.

13. Fixed asset investments	Listed securities	Cash in portfolio	Total	
	£	£	2021	2020
			£	£
Cost or valuation				
At 1 January 2021	1,424,184	563	1,424,747	1,343,453
Additions	-	90,251	90,251	42,503
Disposals	(50,000)	(90,273)	(140,273)	(55,005)
Revaluations	99,966	-	99,966	93,796
At 31 December 2021	<u>1,474,150</u>	<u>541</u>	<u>1,474,691</u>	<u>1,424,747</u>
<i>Investments at market value comprise:</i>				
United Kingdom	541,082	541	541,623	565,624
Overseas	933,068	-	933,068	859,123
	<u>1,474,150</u>	<u>541</u>	<u>1,474,691</u>	<u>1,424,747</u>

Asset distribution

	2021	2020
	£	£
Fixed Income	136,387	192,828
Equities and Funds	1,072,410	1,011,957
Property	60,072	36,020
Alternatives	149,927	115,061
Liquid Assets	55,895	68,881
	<u>1,474,691</u>	<u>1,424,747</u>
	2021	2020
	£	£
Historical cost	<u>1,197,183</u>	<u>1,239,251</u>

Material investments

There were no material investments in excess of 5% of the portfolio value.

EASTBRIDGE HOSPITAL
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2021

14. Debtors	2021	2020
	£	£
Trade debtors	171,382	50,722
Other debtors	2,253	4,489
VAT recoverable	9,462	12,505
	<u>183,097</u>	<u>67,716</u>

15. Creditors: amounts falling due within one year	2021	2020
	£	£
Other creditors	82,161	47,523
Accruals	34,113	32,708
Loan	30,000	13,333
	<u>146,274</u>	<u>93,564</u>

16. Creditors: amounts falling due within one year	2021	2020
	£	£
Loan	158,333	86,667
	<u>158,333</u>	<u>86,667</u>

Loans shown in note 15 and 16 are due as follows:

	2021	2020
	£	£
Within one year	30,000	13,333
Between one and two years	40,000	20,000
Between two and five years	108,333	60,000
After five years	10,000	6,667
	<u>188,333</u>	<u>100,000</u>

There are two Coronavirus Business Interruption loans for six years annual interest at 3.3%. Loan 1 was taken out in May 2020 with repayments commencing in June 2021, loan 2 was taken out in June 2021 with repayments starting in July 2021

17. Retirement benefit schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

EASTBRIDGE HOSPITAL
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2021

18. Endowment funds	2021	2020
	£	£
Balance brought forward	4,188,870	4,188,870
Balance carried forward	4,188,870	4,188,870

The endowment fund represents the original buildings of the charity, together with subsequent increases and decreases and cannot be expended.

19. Restricted fund	2021	2020
	£	£
CLF Lottery Grant Fund		
Balance brought forward	71,640	-
Income	7,960	71,640
Expenditure	(79,600)	-
Balance carried forward	-	71,640

This fund represents a grant from the Heritage Lottery Fund towards the cost of the project to open the Franciscan Gardens to the public from summer 2021. It includes preparation of the site and making safe part of the 17th century Lovelace Wall.

20. Designated funds	Balance at 01 Jan 21	New Designations designations	Designations released	Gains / (losses)	Balance at 31 Dec 21
	£	£	£	£	£
CURRENT YEAR					
New Almshouse fund	1,184,455	-	-	84,626	1,269,081
Investment Fund	3,979,460	-	(390,293)	-	3,589,167
Asset fund	1,564,750	311,842	(3,934)	-	1,872,658
	6,728,665	311,842	(394,227)	84,626	6,730,906
PRIOR YEAR					
New Almshouse fund	1,116,846	-	-	67,609	1,184,455
Investment Fund	4,431,444	-	(162,501)	(289,483)	3,979,460
Asset fund	1,566,678	820	(2,748)	-	1,564,750
	7,114,968	820	(165,249)	(221,874)	6,728,665

EASTBRIDGE HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2021

20. Designated funds (continued)

The New Almshouse Fund

This fund was set up following the sale of farmland in Blean. The sale proceeds were to be used for the building of new almshouses. Part of the proceeds were thus used to acquire the land in Stour Street and for the costs involved in obtaining planning permission to develop that site.

Investment Fund

This fund represents tangible fixed assets in the form of investment properties which are used by the charity for both the purposes of income generation and capital appreciation and thus do not form part of the charity's free reserves.

Asset Fund

This fund represents buildings acquired following the formation of the charity that do not form part of the Permanent Endowment, fixtures and fittings together with heritage assets which are for charitable use.

21. Operating lease agreements where the charity is lessor

At 31 December 2021 the total of the charity's future minimum lease receipts under non-cancellable operating leases was:

	2021	2020
	£	£
Due within one year	143,675	237,050
Due between two and five years	175,500	358,375
Due after five years	33,000	55,000
	352,175	650,425

22. Related party transactions

There have been no transactions with related parties during the period under review (2020 - none).

EASTBRIDGE HOSPITAL
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2021

23. Analysis of net assets between funds

	Endowment	Restricted	Unrestricted	Total
	fund	fund	funds	2021
Current year	£	£	£	£
Tangible assets	4,188,870	-	1,800,220	5,989,090
Heritage assets	-	-	72,438	72,438
Investment properties	-	-	3,589,167	3,589,167
Investments	-	-	1,474,691	1,474,691
Stock	-	-	5,287	5,287
Debtors	-	-	183,097	183,097
Cash at bank and in hand	-	-	101,597	101,597
Creditors: amounts falling due within one year	-	-	(146,274)	(146,274)
Creditors: amounts falling due after one year	-	-	(158,333)	(158,333)
	<u>4,188,870</u>	<u>-</u>	<u>6,921,890</u>	<u>11,110,760</u>
Prior year	£	£	£	£
Tangible assets	4,188,870	-	1,492,312	5,681,182
Heritage assets	-	-	72,438	72,438
Investment properties	-	-	3,889,167	3,889,167
Investments	-	-	1,424,747	1,424,747
Debtors	-	-	67,716	67,716
Cash at bank and in hand	-	71,640	38,358	109,998
Creditors: amounts falling due within one year	-	-	(93,564)	(93,564)
Creditors: amounts falling due after one year	-	-	(86,667)	(86,667)
	<u>4,188,870</u>	<u>71,640</u>	<u>6,804,507</u>	<u>11,065,017</u>

24. Financial Instruments

	2021	2020
	£	£
Financial assets valued at fair value through income and expenditure	1,474,691	1,424,747
Financial assets measured at amortised cost	171,382	50,722
	<u>1,646,073</u>	<u>1,475,469</u>
Financial liabilities measured at amortised cost	<u>82,161</u>	<u>47,523</u>

Financial assets valued at fair value through income and expenditure comprise investments.

Financial assets measured at amortised cost comprise trade debtors.

Financial liabilities measured at amortised cost comprise other creditors.

EASTBRIDGE HOSPITAL (OR ST THOMAS)

England & Wales - Charity number 213319

Accounts

EASTBRIDGE HOSPITAL

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

EASTBRIDGE HOSPITAL

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr Christopher Robinson - Chairman Mr Peter Brown The Reverend Dr. Perry Butler Mr Christopher Head Mr Robin Joy Mrs Alicia Pentin Mr Nicholas Rooke (Appointed January 2020) Mrs Cressida Williams The Venerable Archdeacon of Canterbury (Ex Officio)
Charity number	213319
Senior management team	The Reverend Kevin Goodman - Master of Eastbridge Hospital Nicholas Andrews - Clerk and Receiver Louise Knight - Deputy Clerk
Principal office	25 High Street, Canterbury, Kent, CT1 2BD
Independent auditors	Magee Gammon Corporate Limited, Henwood House, Henwood, Ashford, Kent, TN24 8DH
Bankers	National Westminster Bank Plc, 11 The Parade, Canterbury, Kent, CT1 2SG
Solicitors	Furley Page, 39 St Margaret's Street, Canterbury, Kent, CT1 2TX
Investment Advisers	Sarasin & Partners LLP, Juxon House, 100 St Pauls Churchyard, London, EC4M 8BU
Architects	Donald Insall Associates, 12 Devonshire Street, London, W1G 7AB
Surveyors and Land Agents (commercial properties)	Godden Allen Lawn, The Old Dairy, Cherrybrook Road, Folkestone, Kent, CT20 3JX

EASTBRIDGE HOSPITAL

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EASTBRIDGE HOSPITAL TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees present their annual report together with the audited financial statements of the Charity for the year ended December 31, 2020 and confirm these comply with current statutory requirements, the Charity's Ordinance (its governing instrument) and the provisions of the Statement of Recommended Practice "accounting and reporting by charities" (SORP).

The full name of the Charity is the Hospital of St Thomas the Martyr Eastbridge in the city of Canterbury, but more often known as (the) Eastbridge.

OBJECTIVES AND ACTIVITIES

The principal objects of the Charity are:

- To provide almshouse accommodation in the Eastbridge for as many residents and under such terms as the Council of Management considers appropriate;
- To maintain the fabric of the Eastbridge buildings;
- To maintain an educational fund to be used at the discretion of the Council of Management;
- To further Christian education in the Canterbury area;
- To make such provision for pilgrims and the promotion of the Christian faith amongst visitors to the Eastbridge as may seem appropriate.

Strategies for achieving the objectives

Maintenance and repairs to the fabric of the Charity's buildings is subject to a rolling programme which is reviewed regularly and changes made to meet urgent need. The Trustees employ a conservation architect to oversee and advise them on work to the historic buildings under their control. Long-term, the Trustees aim to provide modern, purpose-built almshouse accommodation on a site yet to be determined to replace the current accommodation which is not, by modern standards, suitable for those with reduced mobility. The trustees will continue to explore alternatives for providing new almshouses.

The Charity's educational objectives are achieved through promoting the Eastbridge Award scheme and the Eastbridge Parker Exhibition.

Activities for achieving objectives

The Trustees will specifically fund raise where necessary and appropriate.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities

EASTBRIDGE HOSPITAL

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

Factors relevant to achieving objectives

In order to meet its objectives, Eastbridge is reliant principally upon the receipt of investment income and income from commercial rents. This income is variable and thus subject to changes in the economic climate generally. This risk, and these financial constraints, are understood and managed by the Trustees. Trustees thus hope to minimise, through timely intervention and a spread of investments, severe swings in stock market performance and commercial trading. Specific action (mentioned below) was taken by trustees in 2020 to ensure so far as possible objectives were achieved notwithstanding significant loss of income because of the Covid pandemic.

ACHIEVEMENTS AND PERFORMANCE

Due to the Covid lockdown, use of the Hospital buildings for events, exhibitions and so forth has not been possible during 2020.

Care of the Indwellers remained a high priority for Trustees, the Master regularly reporting to Trustee meetings on the health and welfare of the Indwellers. Individual Trustees with particular specialisms are able to assist the Master where an Indweller might present particular difficulties which needed addressing. Regular contact with Indwellers has been maintained throughout the pandemic to ensure their well-being and appropriate precautions have been taken within the Hospital to ensure best practice and safety is paramount. Indwellers have been encouraged to observe all government regulations and advice to ensure they remain safe and well free from exposure to Covid.

Trustees continued their oversight of the Charity's buildings for which they have responsibility albeit restrictions on movement meant it was not possible to undertake many of the recommended rolling programme of repairs and maintenance.

Shortly before the Covid lockdown as has become customary in recent years the Master and Trustees together with the Indwellers hosted a very successful dinner during January in the Eastbridge undercroft. The Lord Mayor of Canterbury, together with other civic and ecclesiastical dignitaries, were welcomed on this occasion together with many people associated with the life and work of Eastbridge.

The Trustees believe with due diligence they can continue to grow the Charity for which they are responsible but are mindful of the need to monitor risk and ensure the administration of the Charity meets modern expectations and is as economically efficient as possible.

EASTBRIDGE HOSPITAL

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

ACHIEVEMENTS AND PERFORMANCE (continued)

Within the Eastbridge are six flats for Indwellers, a flat providing a residence for The Master and two offices. At the end of the year under review all flats were occupied and the health of most of the Indwellers was reasonably good having regard to their seniority of age. In the past when filling vacancies, preference has been given to those of retirement age in need of permanent accommodation and who practise the Christian faith. Under the terms of their Ordinance the Trustees may, however, permit admission to Eastbridge those of younger age who remain in employment and where the need for accommodation may be less permanent and also those who, in the opinion of the Trustees, are in need generally.

Whereas Eastbridge has usually been open on six days a week to welcome visitors, the Covid pandemic with consequent restrictions on movement coupled with the need to ensure the safety of Indwellers, meant closing to the public from March. It is still unclear when it might be safe for visitors to return. This loss of important revenue and business meant trustees had, regrettably, first to furlough their stewards employed to greet visitors and then, when it became clear there was no prospect of early opening, to make them redundant.

Insofar as it has been possible during the Covid restrictions, the Eastbridge's two chapels and Greyfriars Chapel in the Franciscan Gardens have been used for worship. Regrettably, it has not been possible from March to host functions in Eastbridge or the Franciscan Gardens. The trustees have decided to embark upon a major project to restore the Franciscan Gardens to a more appropriate medieval setting and it is their hope this will attract tourists as well as local residents in Canterbury from the middle or latter part of 2021. They would like to express their gratitude for the support of the Heritage Lottery Fund and the grant from the Culture Recovery Fund for Heritage which will enable the project to move ahead more rapidly by improving access to the site and making safe part of the 17th century Lovelace Wall.

Eastbridge has, since the 16th century, contributed towards the Matthew Parker exhibitions at Corpus Christi College Cambridge, these exhibitions originally being for King's School scholars but, since 1998 when the scheme was revised, now provided through the Eastbridge Parker exhibition for undergraduates coming from any school within the city of Canterbury. Where no such scholars meet those criteria the college is permitted to select its own candidates for the award, but is required to prefer candidates who come from backgrounds with a predominantly low income or have other particular needs which require to be met. The Trustees visit Corpus Christi College to meet tutorial staff and in return the Eastbridge Parker exhibition students are invited to the Eastbridge annually.

The Charity also maintains the Eastbridge Award scheme for the benefit of all secondary and grammar schools within the catchment area served by Canterbury City Council. The scheme was revised in 2020 to include primary schools within the immediate catchment area and whilst some renewed interest has been shown there were no completed grant applications in 2020.

EASTBRIDGE HOSPITAL

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

ACHIEVEMENTS AND PERFORMANCE (Continued)

The Charity's web site is a means of furthering interest in both the Eastbridge and The Franciscan Gardens and it is apparent that many pilgrim visitors come having first accessed information about both through the web site. In 2021 it is intended to create a separate website for The Franciscan Gardens as part of the restoration project.

The Master of Eastbridge retains patronage of the living at Blean just outside Canterbury although this has held less practical significance than it once did. The Charity has a small land holding at Blean adjoining the church.

The present Master, The Reverend Kevin Goodman was formerly a Franciscan Brother and has given notice at 23 April 2021 of his retirement.

The remaining estate belonging to the Eastbridge consists primarily of commercial and residential premises and the Franciscan Gardens, all of which is managed effectively by the Trustees with the benefit of professional advice. The Charity is fortunate in having all but one of its commercial premises let though trustees are aware of current retail trading difficulties largely as a result of the Covid pandemic and some loss of income from commercial rents during the year was inevitable. Trustees consider such losses may extend well into 2021 and have had to prepare their budget accordingly. Action for recovery of losses from one commercial tenant has, unfortunately, had to be taken following professional advice obtained by trustees.

FINANCIAL REVIEW

Income for the year totalled £387,585 (2019 – £352,192) and expenditure totalled £442,268 (2019 – £469,674) which resulted in net expenditure in the year of £54,683 (£117,482). Net expenditure in respect of unrestricted general fund was £126,323.

The Balance sheet has total funds of £11,065,017 (2019 – £11,341,574), the majority of which are represented by Tangible Fixed Assets.

Net current assets stood at £84,150 (2019 – £37,736) – See Reserves policy below.

Reserves policy

The Trustees have agreed that reserves of unrestricted funds should be maintained at a level to cover potential debts and deficits from running costs. Ideally, Trustees aim to retain as a minimum £75,000 (2019 – £75,000) in unrestricted funds though Trustees know from experience this figure can change during the year, largely because of the unpredictability of the cost of maintaining the fabric of the Charity's properties, which is either scheduled ancient monument or Grade I or II Listed.

EASTBRIDGE HOSPITAL

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

Reserves policy (continued)

Trustees do, therefore, keep their reserves policy under constant review and they are satisfied that annual, planned expenditure can be met from anticipated income derived from investments, commercial rents and visitors' contributions.

Unrestricted funds at the year end amounted to £75,842 (2019 – £37,736).

Designated funds at the year end amounted to £6,728,665 (2019 – £7,114,968).

Restricted funds at the year end amounted to £71,640 (2019 – £nil).

Endowment funds at the year end amounted to £4,188,870 (2019 – £4,188,870).

Total funds at the year end amounted to £11,065,017 (2019 – £11,341,574).

Principal funding

As has already been stated, the Charity's principal funding is derived from investment income and commercial rents. Some funding is also obtained through visitors' fees and donations though as this was severely curtailed in 2020 and commercial rental income reduced because of the Covid pandemic, trustees took the decision to borrow £100,000 under the government inspired CBILS Loan Scheme repayable over 5 years with the first year's interest covered by the government. Receipt of this loan has enabled the charity to function to the best of its ability in very difficult and unique times. Trustees anticipate when they can once more be open to visitors and retail trading improves the finances of the charity will once more be sufficient without recourse to borrowing of this kind. In taking out the loan trustees evaluated the risks and have satisfied themselves the charity has more than sufficient resources to cover a loan of this magnitude.

Risk management

Trustees have assessed the major risks to which the Charity is exposed including those relating to the operations and finances of the Charity. Trustees consider the principal areas of risk for which they must have regard include fire, flood, loss of reputation, health and safety, loss of rent or investment income, fraud and unexpected cost of repairs.

In the year under review the trustees were also obliged to consider the effect of the Covid pandemic upon the charity and take safeguarding action as described below

Grant making policies

Educational grants are made are under the Eastbridge Award scheme and the Eastbridge Parker Exhibition in accordance with the remit of those schemes.

EASTBRIDGE HOSPITAL

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

Investment policy

The Trustees are professionally advised insofar as the Charity's investments are concerned and the appointment of their professional advisers is reviewed regularly. The trustees appointed Sarasin & Partners as their investment advisors in 2018. Ethical responsibility informs the Trustees thinking on investment coupled with the realism necessary to achieve the best return on investments and this was discussed in detail with the Trustees new investment advisers

PLANS FOR FUTURE PERIODS

The Trustees long term aim is to build new almshouses together with ancillary accommodation either on land they already own or to be purchased within the vicinity of Canterbury. Meanwhile, Trustees will continue to ensure their ancient and historic buildings are maintained to a high standard and wherever possible the existing almshouse accommodation is made suitable for Indwellers until new and improved accommodation can be offered.

STRUCTURE GOVERNANCE AND MANAGEMENT

Constitution

The governing instrument of the Charity is an Ordinance of His Grace the Archbishop of Canterbury dated the 11th February 2016. The Eastbridge is registered as a charity under number 213319.

The Charity is restricted in the way it can operate to the extent that it is governed by the aforesaid ordinances and by charity law.

Method of appointment of Trustees

Trustees form the Council of Management and, with the exception of the Archdeacon of Canterbury whose appointment is ex officio, are appointed by the patron, the Archbishop of Canterbury, and hold office for five years. They may be reappointed to serve further terms. Trustees elect annually from their members a chairman. Trustees are selected wherever possible for their knowledge and expertise to further of the objects of the Charity.

Induction and training of Trustees

New Trustees are provided with a history of the Eastbridge together with an account of its activities, copies of recent minutes and all other relevant documents. All Trustees are encouraged to participate in regular training and awareness programmes.

**EASTBRIDGE HOSPITAL
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020**

Organisational structure and decision-making

Trustees' policy and decisions taken at duly constituted meetings are implemented by the Chairman of Trustees aided by the officers of the charity who are the Clerk and Receiver to the Eastbridge, the Deputy Clerk (formerly the Bursar) and the Master. The Master has day-to-day pastoral and spiritual oversight, especially of the residents of Eastbridge who are known by their historic description of "Indwellers". All actions of the Eastbridge officers must be taken in the best interests of the Eastbridge and they report accordingly at Trustee meetings. Matters of significance arising outside Trustee meetings are either dealt with electronically between Trustees with officer support or by various sub-committees of the Charity so that appropriate, and timely, action can be taken.

TRUSTEES RESPONSIBILITIES STATEMENT

Trustees are responsible for preparing this report and the financial statements in accordance with applicable law and United Kingdom accounting standards.

The law applicable to charities in England and Wales 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 those resources 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 judgments and estimates that are reasonable and prudent
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Charity will continue in operation

The Trustees are responsible for keeping 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 acts and charity accounting and reporting regulations together also with the provisions of the Eastbridge Ordinance. Trustees are also responsible for safeguarding the assets of the Charity and taking reasonable steps to prevent and detect fraud and other irregularities.

This report was approved by the Trustees on ^{21st July}~~3 June~~ 2021–:

And signed on their behalf by–:



CHAIRMAN

EASTBRIDGE HOSPITAL
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

Opinion

We have audited the financial statements of Eastbridge Hospital ('the charity') for the year ended 31 December 2020 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2020 and of its incoming resources and application of resources for the year 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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 12 months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the annual report, including the trustees' report, other than the financial statements and our auditor's 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.

EASTBRIDGE HOSPITAL
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require 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; 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 and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Capability of the audit in detecting irregularities including fraud

Based on our understanding of the charity, we have considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011. We evaluated management incentives and opportunities for fraudulent manipulation of the financial statements including management override, and considered that the principal risk was related to the posting of inappropriate journal entries to improve the result before tax for the year.

We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion.

**EASTBRIDGE HOSPITAL
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020**

Procedures performed by the audit team included:

- Discussions with management regarding known or suspected instances of non-compliance with laws and regulations;
- Evaluation of controls designed to prevent and detect irregularities; and
- Assessing journal entries as part of our planned audit approach.

There are inherent limitations in the audit procedures described above, and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. As in all of our audits we also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

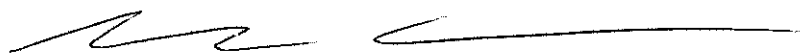
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities.

This description forms part of our auditor's report.

Magee Gammon Corporate Limited is 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.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Magee Gammon Corporate Limited

Statutory Auditors
Chartered Accountants

Henwood House
Henwood
Ashford
Kent
TN24 8DH

Date: 26 August 2021

EASTBRIDGE HOSPITAL

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted funds 2020 £	Restricted funds 2020 £	Endowment funds 2020 £	Total 2020 £	Total 2019 £
<u>Income from:</u>						
Donations and grants	2	10,188	71,640	-	81,828	5,625
Charitable activities	3	40,893	-	-	40,893	53,025
Investments	4	258,970	-	-	258,970	293,542
Other income		5,894	-	-	5,894	-
Total income		315,945	71,640	-	387,585	352,192
<u>Expenditure on:</u>						
Raising funds	5	85,902	-	-	85,902	54,956
Charitable activities	6	356,366	-	-	356,366	414,718
Total expenditure		442,268	-	-	442,268	469,674
Net deficit before gains/(losses) on investments		(126,323)	71,640	-	(54,683)	(117,482)
Net gains/(losses) on investment: 14, 15		(221,874)	-	-	(221,874)	(269,203)
Net movement in funds		(348,197)	71,640	-	(276,557)	(386,685)
Fund balances						
at 1 January 2020		7,152,704	-	4,188,870	11,341,574	11,728,259
at 31 December 2020		6,804,507	71,640	4,188,870	11,065,017	11,341,574

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

All income and expenditure in the year ended 31 Decemeber 2019 was unrestricted.

EASTBRIDGE HOSPITAL

BALANCE SHEET AS AT 31 DECEMBER 2020

	Notes	£	2020 £	£	2019 £
Fixed assets					
Tangible assets	12		5,681,182		5,683,110
Heritage assets	13		72,438		72,438
Investment properties	14		3,889,167		4,204,837
Investments	15		1,424,747		1,343,453
			<u>11,067,534</u>		<u>11,303,838</u>
Current assets					
Debtors	16	67,716		60,274	
Cash at bank and in hand		<u>109,998</u>		<u>146,050</u>	
		177,714		206,324	
Creditors: amounts falling due within one year	17	<u>(93,564)</u>		<u>(168,588)</u>	
Net current assets			84,150		37,736
Total assets less current liabilities			<u>11,151,684</u>		<u>11,341,574</u>
Creditors: amounts falling due after more than one year	17		<u>(86,667)</u>		-
Net assets			<u><u>11,065,017</u></u>		<u><u>11,341,574</u></u>
Funds					
Endowment funds	20		4,188,870		4,188,870
Restricted funds	20		71,640		-
Unrestricted funds:					
Designated funds	20	6,728,665		7,114,968	
General unrestricted fund	20	<u>75,842</u>		<u>37,736</u>	
			6,804,507		7,152,704
	23		<u><u>11,065,017</u></u>		<u><u>11,341,574</u></u>

The financial statements were approved by the Trustees on ^{21st July} ~~6 June~~ 2021.


Mr Christopher Robinson

EASTBRIDGE HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1. Accounting policies

1.1 Basis of preparation of financial statements

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 on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and Charities Act 2011.

Eastbridge Hospital constitutes a public benefit entity as defined by FRS 102.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity and are rounded to the nearest £.

1.2 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.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Accommodation

Contribution towards maintenance of the flats is based on accommodation of the flats and is recognised when the accommodation is occupied.

Hospital Buildings

Donations and entrance fees are collected daily and are recognised upon receipt.

Investment property Rental Income

Invoices are raised quarterly based on occupied properties in accordance with the assigned leases. Income is recognised for the periods in which the properties are let.

Investment Income

Investment income from the managed portfolio is recognised upon receipt.

1.3 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.

EASTBRIDGE HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1. Accounting policies (continued)

1.3 Expenditure (continued)

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Costs of raising funds are costs incurred in attracting voluntary income.

Grants payable are charged in the year 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 year end are noted as a commitment, but not accrued as expenditure.

Support costs are allocated between Accommodation (70%) and Hospital Buildings (30%) in line with both recurring income and time expended on each activity.

All expenditure is inclusive of irrecoverable VAT.

1.4 Tangible fixed assets and depreciation

Capital assets acquired are shown in the balance sheet. Capital items over £1,000 are capitalised.

Land and buildings represent historic, listed buildings subject to regular maintenance and restoration, as such they have an indeterminate useful life and, in the opinion of the trustees, any periodic depreciation charge would be immaterial.

Assets received by way of gift are capitalised at their estimated market value at the date of the gift and the corresponding credit included under donations on the statement of financial activities.

Heritage assets are capitalised at their cost. These assets are preserved, and in view of their expected residual value and indeterminate useful life, any periodic depreciation charge would, in the opinion of the trustees, be immaterial.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

- Freehold property - Not depreciated (as above)
- Land - Not depreciated
- Fixtures and fittings - 10% reducing balance
- Computer equipment - 33% straight line

1.5 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. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the Statement of financial activities.

1.6 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.

EASTBRIDGE HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1. Accounting policies (continued)

1.7 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.

1.8 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 within interest payable and similar charges.

1.9 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.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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.

1.10 Financial Instruments

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

1.11 Investment Properties

Investment properties are measured initially at cost and subsequently at fair value at the reporting date and are not depreciated.

1.12 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.13 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

EASTBRIDGE HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

2. Donations and grants	Restricted funds 2020	Unrestricted funds 2020 £	Total funds 2020	Total funds 2019 £
Donations and gifts	71,640	422	72,062	5,625
Government Grant - CBILS loan interest	-	1,925	1,925	-
HMRC Furlough Grant	-	7,841	7,841	-
	71,640	10,188	81,828	5,625
Total 2019	-	5,625	5,625	
3. Charitable activities		2020 £		2019 £
Accommodation		40,665		28,263
Hospital Buildings		228		24,762
		40,893		53,025
4. Investments		2020 £		2019 £
Commercial property rents		216,272		248,448
Income from listed investments		42,654		44,998
Interest receivable		44		95
Wayleaves		-		1
		258,970		293,542
5. Costs of raising funds		2020 £		2019 £
Repairs and maintenance		6,363		6,533
Insurance		5,031		3,776
Architect fees		-		835
Professional fees		46,276		18,361
Light and heat		1,246		-
Gardening		1,800		-
Rates		543		315
Sundry expenses		-		373
Investment management costs		12,500		183
		73,759		30,376
Share of support costs (Note 7)		12,143		24,580
		85,902		54,956

EASTBRIDGE HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

6. Expenditure on charitable activities

	Accommodation	Hospital Buildings	Greyfriars & Franciscan Gardens	Total	2019 Total
	£	£	£	£	£
Direct costs					
Rates and water	2,498	-	-	2,498	1,642
Repairs and maintenance	33,289	105,545	28,759	167,593	207,901
Gas	2,854	-	-	2,854	7,189
Insurance	2,107	14,749	-	16,856	16,154
Electric	1,536	-	1,344	2,880	2,063
Council tax	11,746	-	-	11,746	8,123
Legal fees	-	-	-	-	7,435
Telephone	4,598	-	-	4,598	6,276
Fuel allowance	-	-	-	-	900
Sundry expenses	258	3,545	623	4,426	2,949
Architects fees	-	6,832	3,500	10,332	25,296
Professional fees	-	-	-	-	-
Gardening	-	-	32,286	32,286	9,541
Redundancy costs	2,337	1,002	-	3,339	-
Wages and salaries	43,248	18,535	-	61,783	48,856
Grants made (see note 8)	-	-	-	-	2,053
	104,471	150,208	66,512	321,191	346,378
Support costs (see note 7)	24,624	10,551	-	35,175	68,340
	129,095	160,759	66,512	356,366	414,718

Analysis of expenditure on charitable activities for the year ended 31 December 2019

Activity or programme	Activities undertaken directly £	Wages and salaries £	Grant funding of activities £	Support costs £	Total £
Accommodation	97,860	34,199	-	47,839	179,898
Hospital Buildings	179,941	14,657	-	20,501	215,099
Greyfriars	17,668	-	-	-	17,668
Grants	-	-	2,053	-	2,053
	295,469	48,856	2,053	68,340	414,718

EASTBRIDGE HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

7. Support costs	Raising funds	Accommodation	Hospital Buildings	Total	2019
For the year ended 31 December	£	£	£	£	£
Sundry expenses	-	3,373	1,446	4,819	8,891
Electricity	-	672	288	960	692
Architects fees	-	1,750	750	2,500	7,843
Clerkship costs	8,550	5,985	2,565	17,100	38,133
Maintenance and cleaning	-	224	96	320	7,032
Bank charges and interest	-	2,117	907	3,024	997
Advertising and stationery	-	2,421	1,037	3,458	3,140
Rates and water	-	192	82	274	252
Accountancy	2,138	1,496	641	4,275	3,397
Professional fees	-	3,451	1,479	4,930	384
Bookkeeping costs	-	-	-	-	11,840
Depreciation	-	1,924	824	2,748	2,665
Governance costs (Note 9)	1,455	1,019	436	2,910	7,654
	12,143	24,624	10,551	47,318	92,920

All support costs are split in line with both recurring income and time expensed.

8. Grants	2020 no.	2020 £	2019 no.	2019 £
Eastbridge Award Scheme grants made	-	-	2	2,053

The Eastbridge Award Scheme offers financial support to both young people (aged 14-19) and young adults (aged 19-25) who wish to undertake a project which will challenge themselves and improve the lives of others. As a Christian Foundation, the Eastbridge Hospital is eager to promote projects which advance the welfare of others. However, no particular faith commitment is required of applicants. All applications are reviewed by the trustees.

9. Governance costs	2020 £	2019 £
Audit fees	2,910	2,953
Legal fees	-	4,701
	2,910	7,654

10. Trustees

None of the trustees (or any persons connected with them) received any remuneration, benefits or reimbursement of expenses from the charity during the year.

EASTBRIDGE HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

11. Employees	2020	2019
	£	£
<i>Staff costs were as follows:</i>		
Wages and salaries	61,783	48,856

Redundancy costs for the year totalled £3,339 (2019 - £nil). The accounting policy is to recognise termination payment liabilities on communication of intention to pay and when quantifiable. Such payments are accounted for as staff costs.

The average monthly number of employees (all relating to charitable activities) were 7 (2019: 7).

There were no employees whose annual remuneration was £60,000 or more.

12. Tangible fixed assets	Freehold land and buildings £	Fixtures and fittings £	Total £
Cost			
At 1 January 2020	5,659,121	26,654	5,685,775
Additions	-	820	820
	5,659,121	27,474	5,686,595
Depreciation			
At 1 January 2020	-	2,665	2,665
Charge for the year	-	2,748	2,748
	-	5,413	5,413
Carrying amount			
At 31 December 2020	5,659,121	22,061	5,681,182
At 31 December 2019	5,659,121	23,989	5,683,110

13. Heritage assets	Total £
Cost	
At 1 January 2020 and 31 December 2020	72,438
Carrying amount	
At 31 December 2020	72,438
At 31 December 2019	72,438

Heritage assets purchased relate to maps and other historic artifacts relating to the charity which are displayed in the Hospital.

EASTBRIDGE HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

14. Investment property

	Total £
Fair value	
At 1 January 2020	4,204,837
Surplus / (deficit) on revaluation	(315,670)
	3,889,167

The 2020 valuations were made by the trustees, on an open market value for existing use basis.

15. Fixed asset investments

	Listed securities £	Cash in portfolio £	2020 Total £	2019 Total £
Cost or valuation				
At 1 January 2020	1,342,888	565	1,343,453	1,435,322
Additions	-	42,503	42,503	431,810
Disposals	(12,500)	(42,505)	(55,005)	(721,680)
Revaluations	93,796	-	93,796	198,001
	1,424,184	563	1,424,747	1,343,453

Investments at market value comprise:

United Kingdom	565,061	563	565,624	548,393
Overseas	859,123	-	859,123	795,060
	1,424,184	563	1,424,747	1,343,453

Asset distribution

	2020 £	2019 £
Fixed Income	192,828	184,053
Equities and Funds	1,011,957	904,144
Property	36,020	42,990
Alternatives	115,061	133,002
Liquid Assets	68,881	79,264
	1,424,747	1,343,453

Material investments

There were no material investments in excess of 5% of the portfolio value.

16. Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Trade debtors	50,722	56,250
Other debtors	4,489	3,689
VAT recoverable	12,505	-
Prepayments	-	335
	67,716	60,274

EASTBRIDGE HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

17. Creditors: amounts falling due within one year	2020 £	2019 £
VAT payable	-	6,598
Other creditors	47,523	66,314
Accruals	32,708	95,676
Loan	13,333	-
	<u>93,564</u>	<u>168,588</u>

18. Creditors: amounts falling due within one year	2020 £	2019 £
Loan	86,667	-
	<u>86,667</u>	<u>-</u>

Included within the above are amounts falling due as follows:

	2020 £	2019 £
Between one and two years		
Loan	<u>20,000</u>	<u>-</u>
Between two and five years		
Loan	<u>60,000</u>	<u>-</u>
Over five years		
Loan	<u>6,667</u>	<u>-</u>

The loan is a Coronavirus Business Interruption loan for six years annual interest at 3.3%.

19. Retirement benefit schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

EASTBRIDGE HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

20. Statement of funds	Balance at 01 Jan 20	Income	Expenditure	New designations	Designations released	Transfers in / (out)	Gains / (losses)	Balance at 31 Dec 20
	£	£	£	£	£	£	£	£
CURRENT YEAR								
Designated funds								
New Almshouse fund	1,116,846	-	-	-	-	-	67,609	1,184,455
Investment Fund	4,431,444	-	-	-	(12,501)	(150,000)	(289,483)	3,979,460
Asset fund	1,566,678	-	-	820	(2,748)	-	-	1,564,750
	<u>7,114,968</u>	<u>-</u>	<u>-</u>	<u>820</u>	<u>(15,249)</u>	<u>(150,000)</u>	<u>(221,874)</u>	<u>6,728,665</u>
General funds								
Unrestricted general fund	<u>37,736</u>	<u>315,945</u>	<u>(442,268)</u>	<u>(820)</u>	<u>15,249</u>	<u>150,000</u>	<u>-</u>	<u>75,842</u>
Endowment funds								
Permanent Endowment fund	<u>4,188,870</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,188,870</u>
Restricted fund								
CLF Lottery Grant Fund	<u>-</u>	<u>71,640</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>71,640</u>
Total funds	<u><u>11,341,574</u></u>	<u><u>387,585</u></u>	<u><u>(442,268)</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>(221,874)</u></u>	<u><u>11,065,017</u></u>

EASTBRIDGE HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

20. Statement of funds (continued)	Balance at 01 Jan 19 £	Income £	Expenditure	New designations £	Designations released £	Transfers in / (out)	Gains / (losses) £	Balance at 31 Dec 19 £
PRIOR YEAR								
Designated funds								
New Almshouse fund	968,489	-	-	-	(110)	-	148,467	1,116,846
Investment Fund	4,938,874	-	-	525	(285)	(90,000)	(417,670)	4,431,444
Asset fund	1,567,056	-	-	2,287	(2,665)	-	-	1,566,678
	<u>7,474,419</u>	<u>-</u>	<u>-</u>	<u>2,812</u>	<u>(3,060)</u>	<u>(90,000)</u>	<u>(269,203)</u>	<u>7,114,968</u>
General funds								
Unrestricted general fund	<u>64,970</u>	<u>352,192</u>	<u>(469,674)</u>	<u>(2,812)</u>	<u>3,060</u>	<u>90,000</u>	<u>-</u>	<u>37,736</u>
Endowment funds								
Permanent Endowment fund	<u>4,188,870</u>	<u>-</u>	<u>-</u>			<u>-</u>	<u>-</u>	<u>4,188,870</u>
Total funds	<u>11,728,259</u>	<u>352,192</u>	<u>(469,674)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(269,203)</u>	<u>11,341,574</u>

EASTBRIDGE HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

20. Statement of funds (continued)

Designated funds

The New Almshouse Fund

This fund was set up following the sale of farmland in Blean. The sale proceeds were to be used for the building of new almshouses. Part of the proceeds were thus used to acquire the land in Stour Street and for the costs involved in obtaining planning permission to develop that site.

Investment Fund

This fund represents tangible fixed assets in the form of investment properties and an investment portfolio which are used by the charity for both the purposes of income generation and capital appreciation and thus do not form part of the charity's free reserves.

Asset Fund

This fund represents buildings acquired following the formation of the charity that do not form part of the Permanent Endowment, fixtures and fittings together with heritage assets which are for charitable use.

General Fund

The General Unrestricted Fund is the accumulation of surpluses, less deficits, on the income and expenditure account, together with profits, less losses, on sales of General Fund fixed assets.

Permanent Endowment Fund

The endowment fund represents the original buildings of the charity, together with subsequent increases and decreases and cannot be expended.

Restricted funds

CLF Lottery Grant Fund

This fund represents a grant from the Heritage Lottery Fund towards the cost of the project to open the Franciscan Gardens to the public from summer 2021. It includes preparation of the site and making safe part of the 17th century Lovelace Wall

21. Operating lease agreements where the charity is lessor

At 31 December 2019 the total of the charity's future minimum lease receipts under non-cancellable operating leases was:

	2020	2019
	£	£
Due within one year	237,050	222,800
Due between two and five years	358,375	324,125
Due after five years	55,000	77,000
	650,425	623,925

22. Related party transactions

There have been no transactions with related parties during the period under review (2019 - none).

EASTBRIDGE HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

23. Analysis of net assets between funds	Endowment fund	Restricted fund	Unrestricted funds	Total 2020
	£	£	£	£
Current year				
Tangible assets	4,188,870	-	1,492,312	5,681,182
Heritage assets	-	-	72,438	72,438
Investment properties	-	-	3,889,167	3,889,167
Investments	-	-	1,424,747	1,424,747
Debtors	-	-	67,716	67,716
Cash at bank and in hand	-	71,640	38,358	109,998
Creditors: amounts falling due within one year	-	-	(93,564)	(93,564)
Creditors: amounts falling due after one year	-	-	(86,667)	(86,667)
	4,188,870	71,640	6,804,507	11,065,017
	Endowment fund	Restricted fund	Unrestricted funds	Total 2019
	£	£	£	£
Prior year				
Tangible assets	4,188,870	-	1,494,240	5,683,110
Heritage assets	-	-	72,438	72,438
Investment properties	-	-	4,204,837	4,204,837
Investments	-	-	1,343,453	1,343,453
Debtors	-	-	60,274	60,274
Cash at bank and in hand	-	-	146,050	146,050
Creditors: amounts falling due within one year	-	-	(168,588)	(168,588)
	4,188,870	-	7,152,704	11,341,574
24. Financial Instruments	2020			2019
	£			£
Financial assets valued at fair value through income and expenditure	1,424,747			1,343,453
Financial assets measured at amortised cost	50,722			56,250
	1,475,469			1,399,703
Financial liabilities measured at amortised cost	47,523			66,314

Financial assets valued at fair value through income and expenditure comprise investments.

Financial assets measured at amortised cost comprise trade debtors.

Financial liabilities measured at amortised cost comprise other creditors.

25. Contingent liabilities

The trustees sought legal advice about recovering rent and other costs from a defaulting commercial tenant and as a result have commenced litigation for recovery against a former tenant as they are legally entitled to do. It is not possible to say when this action will be concluded nor predict the outcome save only trustees have assessed the risks involved and been provided with an estimate of the legal fees involved which could be in the region of £70K. Those fees should be recoverable if the action is successful. If it is not, trustees may also have to meet the costs of the former tenant. The total liability of the former tenant having regard to the remainder of the term of the lease, is in excess of £200K. Trustees have stressed to their legal advisors the importance of reaching an early settlement to avoid costs escalating and have instructed that if at any time the legal advice that trustees have a reasonable prospect of success changes, they are to be informed immediately. The trustees will review their position automatically in mid June 2021 and have regularly reviewed since litigation began.