

**EASTBRIDGE HOSPITAL**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

# **EASTBRIDGE HOSPITAL**

## **LEGAL AND ADMINISTRATIVE INFORMATION**

<b>Trustees</b>	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)
<b>Charity number</b>	213319
<b>Senior management team</b>	The Reverend Kevin Goodman - Master of Eastbridge Hospital Nicholas Andrews - Clerk and Receiver Louise Knight - Deputy Clerk
<b>Principal office</b>	25 High Street, Canterbury, Kent, CT1 2BD
<b>Independent auditors</b>	Magee Gammon Corporate Limited, Henwood House, Henwood, Ashford, Kent, TN24 8DH
<b>Bankers</b>	National Westminster Bank Plc, 11 The Parade, Canterbury, Kent, CT1 2SG
<b>Solicitors</b>	Furley Page, 39 St Margaret's Street, Canterbury, Kent, CT1 2TX
<b>Investment Advisers</b>	Sarasin & Partners LLP, Juxon House, 100 St Pauls Churchyard, London, EC4M 8BU
<b>Architects</b>	Donald Insall Associates, 12 Devonshire Street, London, W1G 7AB
<b>Surveyors and Land Agents (commercial properties)</b>	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 17<sup>th</sup> 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 11<sup>th</sup> 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 <sup>21<sup>st</sup> July</sup>~~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.

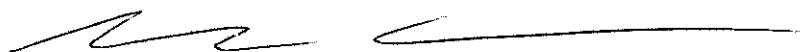
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

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 £
<b><u>Income from:</u></b>						
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	-
<b>Total income</b>		<b>315,945</b>	<b>71,640</b>	<b>-</b>	<b>387,585</b>	<b>352,192</b>
<b><u>Expenditure on:</u></b>						
Raising funds	5	85,902	-	-	85,902	54,956
Charitable activities	6	356,366	-	-	356,366	414,718
<b>Total expenditure</b>		<b>442,268</b>	<b>-</b>	<b>-</b>	<b>442,268</b>	<b>469,674</b>
<b>Net deficit before gains/(losses) on investments</b>		<b>(126,323)</b>	<b>71,640</b>	<b>-</b>	<b>(54,683)</b>	<b>(117,482)</b>
Net gains/(losses) on investment: <b>14, 15</b>		<b>(221,874)</b>	<b>-</b>	<b>-</b>	<b>(221,874)</b>	<b>(269,203)</b>
<b>Net movement in funds</b>		<b>(348,197)</b>	<b>71,640</b>	<b>-</b>	<b>(276,557)</b>	<b>(386,685)</b>
<b>Fund balances</b>						
at 1 January 2020		7,152,704	-	4,188,870	11,341,574	11,728,259
<b>at 31 December 2020</b>		<b>6,804,507</b>	<b>71,640</b>	<b>4,188,870</b>	<b>11,065,017</b>	<b>11,341,574</b>

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 £
<b>Fixed assets</b>					
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
			<b>11,067,534</b>		<b>11,303,838</b>
<b>Current assets</b>					
Debtors	16	67,716		60,274	
Cash at bank and in hand		109,998		146,050	
		<b>177,714</b>		<b>206,324</b>	
<b>Creditors: amounts falling due within one year</b>	17	<b>(93,564)</b>		<b>(168,588)</b>	
Net current assets			<b>84,150</b>		<b>37,736</b>
<b>Total assets less current liabilities</b>			<b>11,151,684</b>		<b>11,341,574</b>
<b>Creditors: amounts falling due after more than one year</b>	17		<b>(86,667)</b>		<b>-</b>
<b>Net assets</b>			<b>11,065,017</b>		<b>11,341,574</b>
<b>Funds</b>					
Endowment funds	20		4,188,870		4,188,870
Restricted funds	20		71,640		-
<b>Unrestricted funds:</b>					
Designated funds	20	6,728,665		7,114,968	
General unrestricted fund	20	75,842		37,736	
			<b>6,804,507</b>		<b>7,152,704</b>
	23		<b>11,065,017</b>		<b>11,341,574</b>

The financial statements were approved by the Trustees on <sup>21<sup>st</sup> July</sup> ~~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	-
	<b>71,640</b>	<b>10,188</b>	<b>81,828</b>	<b>5,625</b>
Total 2019	-	5,625	5,625	
3. Charitable activities		2020 £		2019 £
Accommodation		40,665		28,263
Hospital Buildings		228		24,762
		<b>40,893</b>		<b>53,025</b>
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
		<b>258,970</b>		<b>293,542</b>
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
		<b>73,759</b>		<b>30,376</b>
Share of support costs (Note 7)		12,143		24,580
		<b>85,902</b>		<b>54,956</b>

# 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
	£	£	£	£	£
<b>Direct costs</b>					
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
	<b>104,471</b>	<b>150,208</b>	<b>66,512</b>	<b>321,191</b>	<b>346,378</b>
Support costs (see note 7)	<b>24,624</b>	<b>10,551</b>	<b>-</b>	<b>35,175</b>	<b>68,340</b>
	<b>129,095</b>	<b>160,759</b>	<b>66,512</b>	<b>356,366</b>	<b>414,718</b>

### 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
	<b>295,469</b>	<b>48,856</b>	<b>2,053</b>	<b>68,340</b>	<b>414,718</b>

# 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
	<b>12,143</b>	<b>24,624</b>	<b>10,551</b>	<b>47,318</b>	<b>92,920</b>

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
	<b>2,910</b>	<b>7,654</b>

### 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

<b>11. Employees</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<i>Staff costs were as follows:</i>		
Wages and salaries	<b>61,783</b>	<b>48,856</b>

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.

<b>12. Tangible fixed assets</b>	<b>Freehold land and buildings £</b>	<b>Fixtures and fittings £</b>	<b>Total £</b>
<b>Cost</b>			
At 1 January 2020	5,659,121	26,654	5,685,775
Additions	-	820	820
	<b>5,659,121</b>	<b>27,474</b>	<b>5,686,595</b>
<b>Depreciation</b>			
At 1 January 2020	-	2,665	2,665
Charge for the year	-	2,748	2,748
	<b>-</b>	<b>5,413</b>	<b>5,413</b>
<b>Carrying amount</b>			
At 31 December 2020	<b>5,659,121</b>	<b>22,061</b>	<b>5,681,182</b>
At 31 December 2019	<b>5,659,121</b>	<b>23,989</b>	<b>5,683,110</b>

<b>13. Heritage assets</b>	<b>Total £</b>
<b>Cost</b>	
At 1 January 2020 and 31 December 2020	<b>72,438</b>
<b>Carrying amount</b>	
At 31 December 2020	<b>72,438</b>
At 31 December 2019	<b>72,438</b>

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 £
<b>Fair value</b>	
At 1 January 2020	4,204,837
Surplus / (deficit) on revaluation	(315,670)
	<b>3,889,167</b>

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 £
<b>Cost or valuation</b>				
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
	<b>1,424,184</b>	<b>563</b>	<b>1,424,747</b>	<b>1,343,453</b>

#### Investments at market value comprise:

United Kingdom	565,061	563	565,624	548,393
Overseas	859,123	-	859,123	795,060
	<b>1,424,184</b>	<b>563</b>	<b>1,424,747</b>	<b>1,343,453</b>

#### 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
	<b>1,424,747</b>	<b>1,343,453</b>

#### Material investments

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

### 16. Debtors

	2020 £	2019 £
<b>Amounts falling due within one year:</b>		
Trade debtors	50,722	56,250
Other debtors	4,489	3,689
VAT recoverable	12,505	-
Prepayments	-	335
	<b>67,716</b>	<b>60,274</b>

# EASTBRIDGE HOSPITAL

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

<b>17. Creditors: amounts falling due within one year</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
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>

<b>18. Creditors: amounts falling due within one year</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Loan	86,667	-
	<u>86,667</u>	<u>-</u>

Included within the above are amounts falling due as follows:

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Between one and two years</b>		
Loan	<u>20,000</u>	<u>-</u>
<b>Between two and five years</b>		
Loan	<u>60,000</u>	<u>-</u>
<b>Over five years</b>		
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
	£	£	£	£	£	£	£	£
<b>CURRENT YEAR</b>								
<b>Designated funds</b>								
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>
<b>General funds</b>								
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>
<b>Endowment funds</b>								
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>
<b>Restricted fund</b>								
CLF Lottery Grant Fund	<u>-</u>	<u>71,640</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>71,640</u>
<b>Total funds</b>	<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 £
<b>PRIOR YEAR</b>								
<b>Designated funds</b>								
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>
<b>General funds</b>								
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>
<b>Endowment funds</b>								
Permanent Endowment fund	<u>4,188,870</u>	<u>-</u>	<u>-</u>			<u>-</u>	<u>-</u>	<u>4,188,870</u>
<b>Total funds</b>	<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
	<hr/>	<hr/>
	650,425	623,925
	<hr/>	<hr/>

### 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
	£	£	£	£
<b>Current year</b>				
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
	<b>Endowment fund</b>	<b>Restricted fund</b>	<b>Unrestricted funds</b>	<b>Total 2019</b>
	£	£	£	£
<b>Prior year</b>				
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
<b>24. Financial Instruments</b>	<b>2020</b>			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.