

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 £11,110,760 (2020: £11,065,017) 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
			<hr/>		<hr/>
			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	
		<hr/>		<hr/>	
		289,981		177,714	
Creditors: amounts falling due within one year	15	(146,274)		(93,564)	
		<hr/>		<hr/>	
Net current assets			143,707		84,150
			<hr/>		<hr/>
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)
			<hr/>		<hr/>
Net assets			11,110,760		11,065,017
			<hr/>		<hr/>
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	
		<hr/>		<hr/>	
			6,921,890		6,804,507
			<hr/>		<hr/>
	23		11,110,760		11,065,017
			<hr/>		<hr/>

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

Chr. Robinson

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

I. 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>
<i>Asset distribution</i>			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
	<u>6,728,665</u>	<u>311,842</u>	<u>(394,227)</u>	<u>84,626</u>	<u>6,730,906</u>
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
	<u>7,114,968</u>	<u>820</u>	<u>(165,249)</u>	<u>(221,874)</u>	<u>6,728,665</u>

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
	<u>352,175</u>	<u>650,425</u>

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.