

Charity registration number 225858

FRIENDS OF CHICHESTER HOSPITALS
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021

FRIENDS OF CHICHESTER HOSPITALS

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Mrs J Ramage
Mrs J Hepworth
J Rowden
Mrs A Hobson
Mrs P Robertson
Mrs K Smee
Mrs J Stirland
Mrs L Dean Taylor
R Stephens
A Keeling
J Brotherton
J Turner
L Fraser

(Appointed 15 November 2021)

(Appointed 18 October 2021)

Charity number

225858

Principal address

Friends Office
St Richard's Hospital
Spitalfields Lane
Chichester
West Sussex
PO19 6SE

Auditor

Jones Avens Limited
Piper House
4 Dukes Court
Bognor Road
Chichester
West Sussex
PO19 8FX

FRIENDS OF CHICHESTER HOSPITALS

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FRIENDS OF CHICHESTER HOSPITALS

TRUSTEES' REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2021

The trustees present their annual report and financial statements for the year ended 30 September 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply 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) (effective 1 January 2019)".

The Friends of Chichester Hospitals is a Registered Charity formed in 1948.

Objectives and activities

The charity's objectives are to encourage the interest and support of the local community in Chichester's National Health Service Hospitals, then three - The Royal West Sussex, St Richard's and Graylingwell.

The Royal West Sussex and St Richard's were progressively merged in the 1980's and today, St Richard's Hospital at Chichester serves as the General and Accident and Emergency Hospital for the Western area of West Sussex with a resident population of over 210,000 people. The main core of St Richard's moved into a new hospital in December 1996. The Accident and Emergency department was extensively enlarged and modernised in 1999 and 2000.

Graylingwell Hospital (now known as The Chichester Centre) is mainly located on its original site in Chichester and serves the same population with the provision of Mental Health and Community Services. Graylingwell has recently moved into modern accommodation, and some older facilities such as Harold Kidd Unit ceased to provide care in autumn 2021, but Connolly House is still providing care and is one of the older units.

The Friends exist to provide funds to supplement or enhance the resources of both hospitals for the benefit of patients and staff. This is achieved by operating a profitable, efficient Hospital Shop and Ward Trolley Service which provides good "value for money" confectionery, toiletries, newspapers and magazines, groceries and snacks. Additional funds are raised from legacies, In Memoriam donations and through fêtes, film shows, dances, flag days, raffles and by a group of members who pay for life membership of £50 or an Annual Subscription of £10.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

FRIENDS OF CHICHESTER HOSPITALS

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

Significant activities

When the new financial year began on 1st October 2020, there was optimism that the worst of the Covid19 pandemic had passed, after the challenges and problems of the previous 6 months. The Friends started the year in sound financial shape, thanks to our many local supporters, whose generosity and ingenuity in devising new fundraising activities was recorded with thanks in our last Trustee Report.

Sadly, by mid-late October 2020 it was apparent that infection rates were rising rapidly. The winter of 2020-2021 will be remembered for strict measures to control and prevent travel within the UK and household and family socialising, including over Christmas. Even by summer, restrictions and caution regarding meetings and socialising, remained in place to protect the population and the NHS staff who had endured so many months of long shifts and severe pressure on their services.

We are pleased to report that throughout this lengthy period of strain, the Friends were able to continue serving St Richard's Hospital staff and its then small numbers of visitors and outpatients. The Shop was a lifeline for weary staff on a short break from their duties, with a chance to chat briefly with our friendly volunteers, before resuming their work.

Regular free prize draws for staff customers were popular – the prospect of winning a large chocolate Easter egg or a Valentine treats basket was a popular treat in these difficult months.

Covid precautions were scrupulously observed by our team, who put immense effort into cleaning and sanitising, as well as keeping the stock fresh, interesting and up to date. With shorter hours of opening, and fewer customers, inevitably our profit decreased for several months, but as it is the Friends' purpose to serve and support our hospitals, with profit a secondary priority, we are pleased with a shop reduced profit over the year of £22,613 in comparison with earlier years.

The gradual relaxation of restrictions by mid-summer 2021, and especially the wonderful weather in July, brought increased footfall, and some days of record sales of ice cream! The volunteer team celebrated the comparatively enormous uplift in one day's takings – and there were a lot of cheerful customers, delighted to indulge in a favourite treat.

By summer of 2021, the national vaccination programme had ensured that a high percentage of people had received two "jabs", and confidence was rising, though caution continued. Several Friends' volunteers were involved in running the vaccine hubs at St Richard's and in Chichester, and we are proud of their commitment to serve others, as shown in that vital work.

Sadly, our ward trolley was not able to resume service, and at the end of this financial year it does not look likely to do so for some time. Supporting patients on the wards is a key feature of the Friends' raison d'être. Some new procedures will be needed in the future, to manage potential infection, money-handling etc. We await the signal to reorganise and restart the service – and look forward to doing so.

The pandemic has been hard for people with mental health issues, especially those in long-term treatment, who became extremely isolated during the critical months following March 2020. We have been pleased to help provide materials for therapeutic activities and diversions to alleviate loneliness and boredom, including outdoor equipment, gardening etc. Christmas gifts were organised as usual, though we could not deliver them in person to the wards. Such "normal" gestures helped alleviate the abnormality of the 2020-1 winter and spring.

April 1st, 2021, saw the completion of the process of merging Westerns Sussex Hospitals Foundation Trust with Brighton and Sussex University Hospitals Trust, which began in July 2020. The new University Hospitals Sussex FT brings into a single organisation St Richard's Hospital, Worthing, Southlands, Princess Royal (Haywards Heath) and Brighton's Hospitals (Sussex County, Royal Alexandra Children's Hospital, Eye Hospital) and a number of local services around the county. Our new partner hospitals have their own "Friends", and we look forward to a positive relationship with them, as we have with the Friends of Worthing and Southlands Hospitals.

FRIENDS OF CHICHESTER HOSPITALS

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

This expansion of the Trust will not affect the Friends' activities as dedicated key supporters of St Richard's Hospital and our locally delivered mental health services. We remain focused on providing services at St Richard's hospital through our Shop, and funding vital medical equipment and patient benefits – as we have done for many decades. Our members, volunteers and donors can rest assured that the Friends will continue to raise and spend funds on aiding Chichester's hospitals to provide the best care possible, enhancing the provision of treatment in the area served by St Richard's Hospital and the mental health services provided on the Graylingwell Park site

Fundraising has suffered during this year – being unable to hold events even of the most limited kind has had a damaging effect, though we were fortunate, in a brief break in restrictions in December 2020, to hold a Christmas Collection at The Cross in Chichester – thanks to the Rotary Club of Chichester. In July 2021 we were able to participate in the Rotary Club of Chichester Harbour's family Fun Day in Priory Park, where we set up a stand to raise awareness of the Friends. It was wonderful to meet families enjoying the games and fairground rides organised by Rotary in this, the first real "fun event" for so many months.

Every penny – and every pound – does make a difference so although conventional fundraising was impossible, the Friends explored other means, including signing up for an E-card service, Making a Difference Cards, which donates a few pence for every card sold for online delivery and we also enrolled with Smile Amazon, which has a similar scheme. We set up contactless payment for events, collections etc, as well as publicising our QR code to enable donors to find their way to make a gift via VirginMoneyGiving. Donations processed via VirginMoneyGiving have been extremely valuable over the years, and we are sorry that the service closes in Spring 2022. We will set up a suitable alternative, since online giving, including Gift Aid processing, is enormously valuable to us. We intend to register with CAF Donate (Charities Aid Foundation) whose services as a charity bank have been familiar to us for some years through donations we have received from supporters. CAF Donate provides its service to charities with no monthly charges, unlike other platforms.

Looking forward, it is hoped that in 2022 the Friends will be able to resume our normal level of fundraising activity in the community, and to implement new ideas for encouraging donations.

The legacy of Covid19 for our hospitals includes a very large backlog of patients awaiting treatment and clinical services are being reconfigured to deal with this. This will necessitate the purchase of equipment which has been delayed by the pandemic, and of additional diagnostic machines to increase capacity in various departments. We anticipate more requests for support as restrictions are eased and "normal" hospital activity resumes.

Our hospitals have always been highly valued and have never been under such pressure as in the many months since March 2020.

As an all-volunteer organisation, we benefit enormously from the generous gift of time by our many volunteers who "staff" the Shop and our office, and those who provide support in other ways. We are immensely appreciative of their support and resilience especially in difficult times. Thanks to them, our running costs are extremely low - a fact appreciated by the public and by donors keen to ensure that every pound donated will be used to benefit this extremely important good local cause.

Finally, and most importantly, we also acknowledge the generosity of many donors, whose gifts via legacy, direct donation or group fundraising, have meant that even though we have funded all applications from our two hospitals for medical equipment and amenities for patients, our reserves overall have not fallen during these challenging years. We are grateful to so many organisations and individuals for their help in these difficult times. Thus, our finances entered the year commencing on 1st October 2021 in a steady state.

FRIENDS OF CHICHESTER HOSPITALS

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

Achievements and performance

In the year to 30 September 2021 the Friends showed a surplus for the year of £24,947. This compares with a surplus for the previous year of £137,058.

This year the total incoming resources, after the costs of generating the funds, decreased to £124,488 compared to £199,989 last year. As with most charities there are always ups and downs in the sources of our income.

The decrease in incoming resources is mainly due to a decrease in our donations income and the continued impact of Covid on the Shop's trading results. However, this decrease in income was partly offset by an increase in the generous legacies received by The Friends.

The Friends agreed to fund commitments this year of £92,602 compared with last year's commitments of £53,791. The Friends continue to make the hospital wards aware of the support available to them and have approved the majority of requests made by the wards in the year to 30 September 2021.

Fundraising activities

The shop continues to generate profits for the Friends, albeit at a lower level than in previous years. This year the amount of profit generated by the Shop decreased to £22,613 (down from £24,544 last year). The result for the year is a testament to the efforts made by the Shop volunteers in keeping the shop open whenever the Covid restrictions permitted.

As ever, the shop volunteers have worked very hard to make sure that both the shop and trolley continued to provide (when allowed) a highly valued service to both the patients and staff of St Richards Hospital. Without this effort by the volunteers the Friends would not be able to continue offering this service; so yet again we owe a big vote of thanks to all those who helped during the year.

Financial review

Reserves policy

The trustees aim to meet the requests for support received from the Hospitals wherever possible. In years when the suitable requests received from the hospitals is lower than the income received by the Friends the surplus arising is carried forward to fund requests in future years.

A significant part of the Friends' income is derived from legacies, which can vary from year to year. In order to ensure that the Friends are able to support the Hospitals in a year in which the legacy income is low a designated reserve had been established. In prior years this designated reserve received 10% of the legacies received in the year; in 2017 a decision was made not to increase the amount held in this designated reserve and this decision continued in the year to 30 September 2021.

Total reserves at the Balance Sheet date are £1,279,439 (2020: £1,254,492) of which £1,222,732 (2020: £1,175,767) are unrestricted and £56,707 (2020: £78,725) are restricted.

FRIENDS OF CHICHESTER HOSPITALS

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

Risk management

The trustees have considered whether there are any major risks that may adversely affect the continued operation of the Charity.

As the Charity has no employees or significant ongoing commitments and only agrees to fund requests from the hospitals when funds are available the Trustees consider there are no major risks that need to be addressed.

Plans for future periods

Future plans

The charity continues to meet the strong demand placed upon it by the Chichester Hospitals and it is reassuring to be able to report that the charity expects to continue to meet these demands.

Our hospital shop in Outpatients Entrance has provided an excellent service given the restrictions placed on the shop and volunteers as a result of the Covid pandemic. Its stock selection is customer-led, responding to ideas from staff and patients. The Ward trolley service has been put on hold but will resume once the Covid restrictions are fully lifted and the volunteers are once more allowed back onto the wards. All profits are used to support Friends' funding of medical equipment.

Our continued existence and the ability to meet the demands placed upon us depends on fundraising projects, legacies and memorial donations and the support of numerous volunteers who operate the "Friends Shop" in St Richard's Hospital or help to run events. We are most grateful to these public-spirited individuals and organisations who continue to provide the support that this valuable community charity deserves.

The future plans are to continue with the good work that the charity undertakes in providing valuable services to patients and visitors and in funding vital medical equipment.

The Coronavirus pandemic has had an adverse impact on the fund raising activities of The Friends in the year 30 September 2021 and for the period to date. However, The Friends have sufficient reserves in order to continue offering support to the Chichester Hospitals.

Structure, governance and management

The charity is controlled by its governing document, a deed of trust, and constitutes an unincorporated charity.

The trustees who served during the year and up to the date of signature of the financial statements were:

Mrs J Ramage

Mrs J Hepworth

J Rowden

Mrs A Hobson

Mrs C Hall

(Resigned 18 October 2021)

Mrs P Robertson

Mrs K Smee

Mrs J Stirland

Dr R Simpson

(Resigned 30 September 2021)

Mrs J Haywood

(Resigned 28 June 2021)

Mrs L Dean Taylor

R Stephens

A Keeling

J Brotherton

J Turner

(Appointed 15 November 2021)

L Fraser

(Appointed 18 October 2021)

FRIENDS OF CHICHESTER HOSPITALS

TRUSTEES' REPORT (CONTINUED)

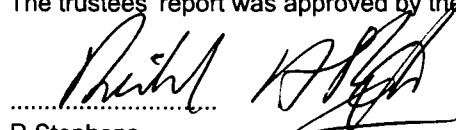
FOR THE YEAR ENDED 30 SEPTEMBER 2021

The current trustees all have experience and knowledge of the local area and charity sector. They have not undertaken any specific induction or training because their previous involvement with charities and their general business experience was believed to be sufficient to ensure a full understanding of their duties and responsibilities both generally and specifically as they apply to charities. They are made aware of any changes in charity law which may affect their responsibilities.

The Friends is managed and run entirely by volunteers. The registered office is at St Richard's Hospital, Spitalfield Lane, Chichester, PO19 6SE where most of the administrative work is carried out. A committee is elected at the Annual General Meeting and they act as Trustees of the Registered Charity. The Committee consists of a President, four Officers (Chairman, Vice Chairman, Hon. Secretary and Hon. Treasurer) and up to fifteen Committee members. The committee meets not less than eight times annually to receive requests from the staff of both hospitals for financial support for the purchase or enhancement of medical equipment, and the provision of patient and staff amenities, such as comfortable seating in waiting areas and Christmas gifts. In order to ensure that requests are prioritised so that the limited funds are deployed wisely and effectively, the management of each Hospital initially vets each request. However, small bids of up to £5,000 can be submitted directly to the "officers" by Hospital wards or departments. The Friends maintain close and friendly relations with the management, staff and patients of both Hospitals so that a sympathetic response can be made to all requests for support.

Future trustees will be given induction and training as appropriate to acquaint them with the charity and its method of operation. On appointment new trustees will be briefed on their legal obligations under charity law, the content of the governing document, the committee and decision making processes and the recent financial performance of the charity.

The trustees' report was approved by the Board of Trustees.



R Stephens
Trustee

Date: 20 - 07 - 22

FRIENDS OF CHICHESTER HOSPITALS

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 30 SEPTEMBER 2021

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England 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 resources of the charity for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

FRIENDS OF CHICHESTER HOSPITALS

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF FRIENDS OF CHICHESTER HOSPITALS

Opinion

We have audited the financial statements of Friends of Chichester Hospitals (the 'charity') for the year ended 30 September 2021 which comprise the statement of financial activities, the balance sheet 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 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 30 September 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 accounts 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 twelve months from when the financial statements are authorised for issue.

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

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 contained within the annual report. Our opinion on the financial statements does not cover the other information and 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.

FRIENDS OF CHICHESTER HOSPITALS

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF FRIENDS OF CHICHESTER HOSPITALS

Matters on which we are required to report by exception

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 financial statements is inconsistent in any material respect with the trustees' report; 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 statement of trustees' responsibilities, 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 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 145 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.

Identification and assessment of irregularities including fraud

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

- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the association, including The Companies Act 2006.
- we obtained an understanding of the legal and regulatory framework applicable to the entity and how the entity is complying with that framework by making appropriate enquiries of management as well as considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations;
- we made enquiries of those charged with governance and management concerning:
 - the risks of fraud;
 - instances of non-compliance with laws and regulations or knowledge of actual, suspected, or alleged fraud is documented during the period;
- we allocated an engagement team that we considered collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.

FRIENDS OF CHICHESTER HOSPITALS

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF FRIENDS OF CHICHESTER HOSPITALS

Audit response to the risk of irregularities including fraud

Based on the results of our risk assessment, our procedures included, but were not limited to:

- performing analytical procedures to identify any unusual or unexpected relationships.
- evaluating whether the selection and application of accounting policies by the entity that may be indicative of fraudulent financial reporting resulting from management's effort to manage earnings.
- assessing whether judgements and assumptions made in determining the accounting estimates set out in note 2 were indicative of potential bias.
- agreeing financial statement disclosures to underlying supporting documentation.
- reading the minutes of meetings of those charged with governance.
- reviewing the correspondence with relevant regulatory bodies.
- testing of journal entries to address the risk of fraud through management override.
- incorporating an element of unpredictability in the selection of the nature, timing, and extent of our audit procedures.
- corroborating the business rationale for transactions outside the normal course of business.

Conclusions regarding the risks of irregularities including fraud

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

We considered our audit was capable of detecting irregularities due to:

- the effectiveness of the entity's internal controls;
- the nature, timing and extent of audit procedures performed; and
- the absence of contradictory evidence.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Other matters

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

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

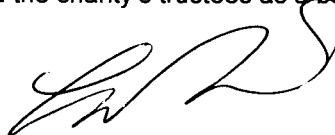
FRIENDS OF CHICHESTER HOSPITALS

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF FRIENDS OF CHICHESTER HOSPITALS

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' 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.



Claire Norwood BSc FCA ATII (Senior Statutory Auditor)
for and on behalf of Jones Avens Limited

26/7/12

Chartered Accountants
Statutory Auditor

Piper House
4 Dukes Court
Bognor Road
Chichester
West Sussex
PO19 8FX

Jones Avens 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.

FRIENDS OF CHICHESTER HOSPITALS

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30 SEPTEMBER 2021

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total Unrestricted funds 2021 £	Restricted funds 2020 £	Total 2020 £
Income from:						
Donations and legacies	3	97,357	3,375	100,732	160,641	169,233
Other trading activities	4	90,805	-	90,805	107,508	109,535
Investments	5	178	-	178	3,962	3,962
Total income		188,340	3,375	191,715	10,619	282,730
Expenditure on:						
Raising funds	6	67,227	-	67,227	-	82,741
Charitable activities	7	74,498	25,043	99,541	26,614	62,931
Total expenditure		141,725	25,043	166,768	26,614	145,672
Net incoming/(outgoing) resources before transfers		46,615	(21,668)	24,947	(15,995)	137,058
Gross transfers between funds	12	350	(350)	-	(3,678)	-
Net income/(expenditure) for the year/ Net movement in funds		46,965	(22,018)	24,947	(12,317)	137,058
Fund balances at 1 October 2020		1,175,767	78,725	1,254,492	91,042	1,117,434
Fund balances at 30 September 2021		1,222,732	56,707	1,279,439	78,725	1,254,492

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

All income and expenditure derive from continuing activities.

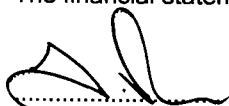
FRIENDS OF CHICHESTER HOSPITALS

BALANCE SHEET

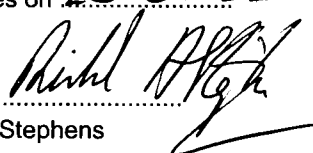
AS AT 30 SEPTEMBER 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	13		11,430		13,076
Current assets					
Stocks	14	10,421		10,734	
Debtors	15	110,373		110,519	
Cash at bank and in hand		1,197,092		1,153,135	
		<u>1,317,886</u>		<u>1,274,388</u>	
Creditors: amounts falling due within one year	16	(49,877)		(32,972)	
Net current assets			1,268,009		1,241,416
Total assets less current liabilities			<u>1,279,439</u>		<u>1,254,492</u>
Income funds					
Restricted funds	17		56,707		78,725
<u>Unrestricted funds</u>					
Designated funds	18	725,932		725,932	
General unrestricted funds		496,800		449,835	
		<u>1,222,732</u>		<u>1,175,767</u>	
			<u>1,279,439</u>		<u>1,254,492</u>

The financial statements were approved by the Trustees on 20-07-22



J Rowden
Trustee



R Stephens
Trustee

FRIENDS OF CHICHESTER HOSPITALS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2021

1 Accounting policies

Charity information

Friends of Chichester Hospitals is a charity registered in England governed by its trust deed dated 1955 as amended on 1 June 2016. Its principal address is Friends Office, St Richard's Hospital, Spitalfields Lane, Chichester, West Sussex.

1.1 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) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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. The principal accounting policies adopted are set out below.

1.2 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.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

FRIENDS OF CHICHESTER HOSPITALS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

1 Accounting policies

(Continued)

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.

1.5 Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Lapsed bids - If an approved bid is not completed within 12 months of it being approved by the Committee, the bid is deemed to lapse. The Committee will, however, reconsider the position if a bid is represented by the hospitals.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freezers	25% on reducing balance
Shop fittings	25% on reducing balance and 10% on cost
Computers	33% on reducing balance
Trolleys	10% on reducing balance
Sculpture	None

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 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).

1.8 Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

FRIENDS OF CHICHESTER HOSPITALS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

1 Accounting policies

(Continued)

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

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.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

2 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.

FRIENDS OF CHICHESTER HOSPITALS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2021	2021	2021	2020	2020	2020
	£	£	£	£	£	£
Memorial donations	7,225	275	7,500	7,211	-	7,211
Legacies receivable	71,456	-	71,456	45,009	-	45,009
Membership subscriptions and donations	18,676	3,100	21,776	108,421	8,592	117,013
	<u>97,357</u>	<u>3,375</u>	<u>100,732</u>	<u>160,641</u>	<u>8,592</u>	<u>169,233</u>

4 Other trading activities

	Unrestricted funds	Unrestricted funds	Restricted funds	Total
	2021	2020	2020	2020
	£	£	£	£
Shop income	89,786	107,208	-	107,208
Fundraising and events	1,019	300	2,027	2,327
Other trading activities	<u>90,805</u>	<u>107,508</u>	<u>2,027</u>	<u>109,535</u>

5 Investments

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Interest receivable	<u>178</u>	<u>3,962</u>

FRIENDS OF CHICHESTER HOSPITALS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2021

6 Raising funds

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
<u>Fundraising and publicity</u>		
Other fundraising costs	54	77
	<hr/>	<hr/>
<u>Trading costs</u>		
Opening stock	10,734	12,656
Purchases	60,825	75,060
Closing stock	(10,421)	(10,734)
Insurance	1,163	1,213
Postage and stationery	115	-
Telephone	358	406
Repairs and maintenance	-	1,157
Sundries	655	859
Service charges	20	20
Credit card charges	2,173	-
Depreciation: Trolleys	181	201
Depreciation: Freezers	208	277
Depreciation: Shop fittings	1,162	1,549
	<hr/>	<hr/>
Other trading activities	67,173	82,664
	<hr/>	<hr/>
	67,227	82,741
	<hr/>	<hr/>

FRIENDS OF CHICHESTER HOSPITALS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2021

7 Charitable activities

	2021 £	2020 £
Depreciation of computers	95	142
Printing, postage and stationery	841	739
Sundry	739	2,343
Website expenses	380	360
Repairs and renewals	-	483
Legal and professional fees	884	611
	<u>2,939</u>	<u>4,678</u>
Grant funding of activities (see note 8)	92,602	53,791
Share of governance costs (see note 9)	4,000	4,462
	<u>99,541</u>	<u>62,931</u>
Analysis by fund		
Unrestricted funds	74,498	36,317
Restricted funds	25,043	26,614
	<u>99,541</u>	<u>62,931</u>

8 Grants payable

	2021 £	2020 £
Grants to institutions:		
Medical equipment	87,557	42,129
Furniture and other equipment	795	500
Patient and staff benefits	4,250	11,162
	<u>92,602</u>	<u>53,791</u>

FRIENDS OF CHICHESTER HOSPITALS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2021

9 Support costs

	Support costs £	Governance costs £	2021 £	Support costs £	Governance costs £	2020 £
Audit fees	-	3,000	3,000	-	3,462	3,462
Accountancy	-	1,000	1,000	-	1,000	1,000
	<u>-</u>	<u>4,000</u>	<u>4,000</u>	<u>-</u>	<u>4,462</u>	<u>4,462</u>
Analysed between						
Charitable activities	-	4,000	4,000	-	4,462	4,462
	<u>-</u>	<u>4,000</u>	<u>4,000</u>	<u>-</u>	<u>4,462</u>	<u>4,462</u>

Governance costs includes payments to the auditors of £3,000 (2020- £3,462) for audit fees and £1,000 (2020- £1,000) for accountancy fees.

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year, and none of them were reimbursed expenses (2020- one was reimbursed £596 printing and stationery expenses).

11 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Total	<u>-</u>	<u>-</u>

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

12 Transfers

There has been a transfer from restricted to unrestricted funds to correct the treatment of expenditure last year that should have been in restricted but was allocated to unrestricted.

FRIENDS OF CHICHESTER HOSPITALS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2021

13 Tangible fixed assets		Freezers £	Shop fittings £	Computers £	Trolleys £	Sculpture £	Total £
Cost							
At 1 October 2020		7,494	14,686	9,739	3,108	5,500	40,527
At 30 September 2021		7,494	14,686	9,739	3,108	5,500	40,527
Depreciation and impairment							
At 1 October 2020		6,664	10,039	9,452	1,296	-	27,451
Depreciation charged in the year		208	1,162	95	181	-	1,646
At 30 September 2021		6,872	11,201	9,547	1,477	-	29,097
Carrying amount							
At 30 September 2021		622	3,485	192	1,631	5,500	11,430
At 30 September 2020		830	4,647	287	1,812	5,500	13,076

FRIENDS OF CHICHESTER HOSPITALS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2021

14 Stocks

2021	2020
£	£

Stocks	10,421	10,734
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15 Debtors

2021	2020
£	£

Amounts falling due within one year:

Other debtors	110,373	110,519
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16 Creditors: amounts falling due within one year

2021	2020
£	£

Trade creditors	42,577	26,240
Accruals and deferred income	7,300	6,732
	49,877	32,972

FRIENDS OF CHICHESTER HOSPITALS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2021

17 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 October 2019	Movement in funds			Transfers	Balance at 1 October 2020	Movement in funds			Transfers	Balance at 30 September 2021
	£	Incoming resources	Resources expended	£	£	£	Incoming resources	Resources expended	£	£	£
Ward Funds	26,170	10,619	(26,614)	3,678	13,853	2,375	-	-	-	-	16,228
Diabetic and Eye Units	64,522	-	-	-	64,522	1,000	(25,043)	-	-	-	40,479
H Kidd	350	-	-	-	350	-	-	(350)	-	-	-
	<u>91,042</u>	<u>10,619</u>	<u>(26,614)</u>	<u>3,678</u>	<u>78,725</u>	<u>3,375</u>	<u>(25,043)</u>	<u>(350)</u>	<u>56,707</u>		

Ward Funds - A restricted fund for donations made to the Friends for specific wards within the Chichester hospitals.

Diabetic and Eye Units - A restricted fund for the purchase of equipment for the Diabetes Centre and the Eye Department.

FRIENDS OF CHICHESTER HOSPITALS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

18 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds		Movement in funds		
	Balance at 1 October 2019	Incoming resources	Balance at 1 October 2020	Incoming resources	Balance at 30 September 2021
	£	£	£	£	£
MRI Appeal	725,932	-	725,932	-	725,932
	<u>725,932</u>	<u>-</u>	<u>725,932</u>	<u>-</u>	<u>725,932</u>

MRI Appeal - A designated fund to support St Richard's Hospital's potential redevelopment of the Magnetic Resonance Imaging department.

19 Analysis of net assets between funds

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Fund balances at 30 September 2021 are represented by:						
Tangible assets	11,430	-	11,430	13,076	-	13,076
Current assets/ (liabilities)	<u>1,211,302</u>	<u>56,707</u>	<u>1,268,009</u>	<u>1,162,691</u>	<u>78,725</u>	<u>1,241,416</u>
	<u>1,222,732</u>	<u>56,707</u>	<u>1,279,439</u>	<u>1,175,767</u>	<u>78,725</u>	<u>1,254,492</u>

20 Related party transactions

There were no disclosable related party transactions during the year (2020 - none).