

Hawkhurst Community Hospital League of Friends

TRUSTEES' REPORT AND

FINANCIAL STATEMENTS

31 December 2021

Charity No. 252641

Hawkhurst Community Hospital League of Friends

LEGAL AND ADMINISTRATIVE INFORMATION

President

The Rt. Hon G Clark MP

Trustees

The Trustees who served during the year and to the date of this report were:

Dr R Blundell	
Mr H Cobbold	
Mrs T Cobbold	Appointed 3 February 2021
Mr K Day	
Dr C R Dewing	Chair (from April 2022)
Miss V Fields	Resigned 28 June 2022
Mr P Hoole	Chair (until March 2021), Interim Chair (from August 2021 to April 2022)
Mr J Hunt	
Mr J Newman	
Mr W B Owen	
Mrs J Pyne	Appointed 21 June 2022
Mr H Schalburg	Appointed 21 June 2022
Mrs J Walcot	Resigned 3 February 2021
Mr C Williamson	Appointed 3 February 2021, Chair (from March to August 2021)

Charity Administrator/Secretary

Mrs J Hoole	Until December 2021
Ms A Tanner	From August 2021

Principal Office

Hawkhurst Community Hospital
High Street
Hawkhurst
Kent, TN18 4PU

Independent Examiner

Sam Farren FCA DChA
Orchard House
42a Childsbridge Lane
Kemsing
Sevenoaks
Kent, TN15 6QR

Bankers

Natwest Bank plc
High Street
Cranbrook
Kent, TN17 3EJ

Barclays Bank plc
9 High Street
Colchester
Essex, CO1 1DA

Hawkhurst Community Hospital League of Friends

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

The Trustees of the Hawkhurst Community Hospital League of Friends (the Charity) present their report and financial statements for the year ended 31 December 2021. The financial statements comply with 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 2015).

Legal and Administrative Information

The Charity's officers and trustees are:

President

The Rt. Hon G Clark MP

Trustees

The Trustees who served during the year and to the date of this report were:

Dr R Blundell	
Mr H Cobbold	
Mrs T Cobbold	Appointed 3 February 2021
Mr K Day	
Dr C R Dewing	Chair (from April 2022)
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Constitution and Objects

The Charity is constituted under the rules and objects adopted on 15 May 1967, amended 30 April 1992, April 2005 and 23 April 2009.

The Objects of the Charity are:

1. To mobilise, encourage, foster and maintain the interest and Support of the public in the patients and staff and to support the work of the hospital by voluntary service.
2. To raise, provide and receive funds for the purposes:
 - a. Either of supplementing, in such manner as the Charity thinks fit, the resources of the hospital service, or putting such funds, or any part thereof at the disposal of the Tunbridge Wells Health Authority or any successor Authority thereto to be applied at the discretion of such Authority in supplementing such resources.
 - b. Of supporting the patients and staff of the hospital, and;
 - c. Of supporting and relieving out-patients and former patients of the hospital and other invalids in the local community who are sick, convalescent, disabled, handicapped, infirm or in the need of financial assistance.
 - d. Using such funds as the Charity thinks fit for the purpose of promoting health in the wider community and relieving those in need due to other disadvantages related to ill health.

Administration and Structure

The Charity is governed by a board of trustees who meet quarterly. Day to day running of the Charity is delegated to the Charity Administrator who reports directly to the board of trustees.

Method of appointment and recruitment of trustees

The trustees regularly review the skills needed on the trustee board and will approach a suitable candidate known to them from the local community.

Hawkhurst Community Hospital League of Friends

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

Review of the Year

As may be imagined this was an unusual year.

Charity Administrator

Adrienne Tanner took over the day-to-day running of the charity as of August 2021, with a phased handover from Jane Hoole. We thank Jane for her many years of support.

Fundraising

As ever the shop was our main and almost sole source of fundraising but as may be imagined this was severely curtailed by the restrictions imposed by Covid. Thanks to the sterling efforts of our staff and volunteers we did manage to trade when we were allowed to open and although trade was subdued it was profitable. Combined with the support given to us by the government we felt able to support our staff by paying them in full throughout the year and the fact that we no longer pay rent was a great relief and proved what a sensible move the purchase had been.

WRAP

WRAP was closed for a lot of the year, unfortunately we felt we had no alternative, and we were sorry not to be able to support both clients and carers in the way we had been. The result however, because of the model we operate, was that the subsidy we give WRAP was proportionally reduced.

The Hospital

The hospital itself continued to operate but was largely closed to visitors almost throughout the year. That included the League of Friends so that the "office" was moved to the Chairman's home, Jane Hoole being both his wife and the secretary. We continued to support the hospital in whatever financial way we always have throughout.

Financial Position

Because of the way we are structured, because of government support and because of our reduced support for WRAP we actually ended the financial year in a stronger position than might be supposed and with a little more money in the bank than at the start which was something we could not have predicted.

Review of Financial Activities and Affairs

In the financial year ending 31 December 2021 the Charity had income of £100,150 (2020: £91,549). Expenditure in the year was in the sum of £80,762 (2020 restated: £98,388).

Costs of raising funds were £42,498 (2020 restated: £55,954) representing the cost of running the shop, within which were £26,934 (2020: £29,180) in wages, £nil (2020: £7,620) in rent and £7,162 (2020 restated: £6,565) in depreciation. Charitable expenditure was in the sum of £38,264 (2020: £42,434), of which £29,636 (2020: £25,263) represented WRAP running costs and £3,821 (2020: £13,280) related to equipment and specialists provided to the hospital. Support costs amounted to £4,203 (2020: £3,391).

Reserves Policy

It is the policy of the charity to maintain its free reserves at a level that equates to approximately six months administration expenditure together with sufficient funds to cover the immediate charitable needs and a general reserve of approximately £15,000 to cover any unexpected calls on our funds. The funds were maintained at this level throughout the year. At 31 December 2021, unrestricted funds were £248,030 (2020 restated: £228,642) of which £89,659 were free reserves (2020: £62,986) and restricted funds were £20,980 (2020: £20,980).

Risk Management

The Trustees have examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that necessary steps can be taken to lessen these risks.

Public Benefit

The Trustees have complied with the duty in section 4 of the 2011 Charities Act to have due regard to guidance published by the Charity Commission, including public benefit guidance.

The Trustees have reviewed the Charity's activities and confirm they meet the guidance given by the Charity Commission with regard to public benefit.

Hawkhurst Community Hospital League of Friends

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

Statement of Trustees' Responsibilities

The Charities Act 2011 requires the management committee as the Trustees of the Charity to prepare financial statements for each financial year which give a true and fair view of the Charity's financial activities during the year and of its financial position at the end of the year. In preparing those financial statements, the management committee are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed subject to any 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 business.

The Trustees are responsible for keeping records which 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. 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.

Approved by the Trustees and signed on their behalf by:



.....
Dr C Dewing
Trustee

20 September 2022

Hawkhurst Community Hospital League of Friends

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF HAWKHURST COMMUNITY HOSPITAL LEAGUE OF FRIENDS

I report to the trustees on my examination of the accounts of the charity for the year ended 31 December 2021, which are set out on pages 6 to 14.

Responsibilities and basis of report

As the charity trustees, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- (1) accounting records were not kept in respect of the charity as required by section 130 of the Act; or
- (2) the accounts do not accord with those records; or
- (3) the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Sam Farren FCA DChA
Sevenoaks

20 October 2022

Hawkhurst Community Hospital League of Friends

STATEMENT OF FINANCIAL ACTIVITIES

for the year ended 31 December 2021

		2021			2020 <i>restated</i>		
	Note	Unrestricted funds £	Restricted funds £	Total funds £	Unrestricted funds £	Restricted funds £	Total funds £
INCOME FROM:							
Donations and legacies							
Donations and grants	1	18,500	-	18,500	21,561	-	21,561
Legacies and Memorial Donations		950	-	950	1,143	-	1,143
Subscriptions		2,534	-	2,534	2,614	-	2,614
Charitable activities	2	17,395	-	17,395	14,598	-	14,598
Other trading activities							
Fundraising	3	60,769	-	60,769	51,467	145	51,612
Investments		2	-	2	21	-	21
TOTAL INCOME		100,150	-	100,150	91,404	145	91,549
EXPENDITURE ON;							
Raising funds	4	(42,498)	-	(42,498)	(55,954)	-	(55,954)
Charitable activities	5	(38,264)	-	(38,264)	(36,711)	(5,723)	(42,434)
TOTAL EXPENDITURE		(80,762)	-	(80,762)	(92,665)	(5,723)	(98,388)
NET INCOME/(EXPENDITURE)	11	19,388	-	19,388	(1,261)	(5,578)	(6,839)
TRANSFERS BETWEEN FUNDS		-	-	-	(2,035)	2,035	-
NET MOVEMENT IN FUNDS		19,388	-	19,388	(3,296)	(3,543)	(6,839)
FUND BALANCES BROUGHT FORWARD							
At 1 January	16	228,642	20,980	249,622	231,938	24,523	256,461
FUND BALANCES CARRIED FORWARD							
At 31 December	16	248,030	20,980	269,010	228,642	20,980	249,622

All activities are classed as continuing. The Charity has had no recognised gains and losses during this year and last year other than the net expenditure for the financial year.

Hawkhurst Community Hospital League of Friends

BALANCE SHEET

31 December 2021

		2021	2020
	Note	£	restated £
Fixed assets			
Tangible assets	12	158,371	165,656
Current assets			
Debtors	13	3,641	1,768
Bank		111,430	87,410
		115,071	89,178
Current liabilities			
Creditors: amounts falling due within one year	14	(4,432)	(5,212)
Net current assets		110,639	83,966
Total assets		269,010	249,622
Funds:			
Unrestricted Funds	16	248,030	228,642
Restricted Funds	16	20,980	20,980
		269,010	249,622

The financial statements on pages 6 to 14 were approved and authorised for issue by the trustees on 20 September 2022 and signed on their behalf by:



.....
Dr C Dewing
Trustee

Hawkhurst Community Hospital League of Friends

ACCOUNTING POLICIES

BASIS OF ACCOUNTING

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011. Hawkhurst Community Hospital League of Friends meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

b) Preparation of the accounts on a going concern basis

The Trustees have considered the cash flow implications of shop closure as a result of COVID. They are satisfied that the charity has sufficient funds to cover net expenditure for the ensuing year.

It is therefore the trustees' view that there are no material uncertainties regarding Hawkhurst Community Hospital League of Friends' ability to continue in business for the foreseeable future taking into account all available information, and have neither the intention nor the need to liquidate or curtail materially the scale of its operations, and have prepared the accounts on that assumption.

INCOME POLICY

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Legacies are recognised in the accounts when the amount and timing of receipt is probable to the satisfaction of the trustees.

Income tax recoverable in respect of deeds of covenant is included in the same period as the donation.

INVESTMENT INCOME

Investment income is accounted for in the year in which the charity is entitled to receipt.

FUND ACCOUNTING

Unrestricted funds are funds which are available to use at the discretion of the trustees in furtherance of the general objectives of the charity and which has not been designated for any other purpose.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

EXPENDITURE POLICY

Expenditure is recognised on an accruals basis as a liability is incurred. Irrecoverable VAT is charged against the category of resources expended from which it was incurred.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly whilst others are apportioned on an appropriate basis.

COST OF RAISING FUNDS

Cost of raising funds comprises those costs directly attributable to the Charity's fund raising activities.

Hawkhurst Community Hospital League of Friends

ACCOUNTING POLICIES

CASH FLOW STATEMENT

The Charity has taken advantage of the exemption from preparing a cash flow statement in accordance with FRS 102 on the basis that it qualifies as a small entity.

TANGIBLE FIXED ASSETS

Assets costing £100 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation

DEPRECIATION

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Property and improvements	- 10% straight line basis
Fixtures and fittings	- 10% straight line basis
Computer equipment	- 25% straight line basis

In 2021 the policy was changed so as not to provide depreciation on freehold land. The prior year figures have been restated in line with the new policy – the effect on the 2020 figures being a decrease in fundraising expenditure of £9,167 and an increase in fixed assets net book value of £9,167.

STOCK

Stock is valued at the lower of cost or realisable value.

No value has been included for the items donated and held at the year end at the shop as the trustees consider it impractical to estimate the fair value of this stock. The value to the charity of the donated goods sold are recognised as income when sold.

DEBTORS

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

CASH AT BANK AND IN HAND

Cash at bank and cash 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.

CREDITORS

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

FINANCIAL INSTRUMENTS

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

OPERATING LEASE AGREEMENTS

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Hawkhurst Community Hospital League of Friends
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2021

1.	DONATIONS AND GRANTS	2021 £	2020 £
	Donations	808	2,965
	Grants	17,215	18,037
	Gift Aid	477	559
		<u>18,500</u>	<u>21,561</u>
2.	CHARITABLE ACTIVITIES	2021 £	2020 £
	WRAP Income	17,395	14,383
	Drinks machine	-	215
		<u>17,395</u>	<u>14,598</u>
3.	FUNDRAISING INCOME	2021 £	2020 £
	Shop income	60,481	50,614
	Collecting boxes	-	853
	Event income	-	-
	Other	288	145
		<u>60,769</u>	<u>51,612</u>
4.	FUNDRAISING EXPENDITURE	2021 £	2020 restated £
	Shop overheads (Note 7)	41,957	55,834
	Purchase of goods (adjusted for stock)	541	120
		<u>42,498</u>	<u>55,954</u>
5.	CHARITABLE EXPENDITURE – supporting the community	2021 £	2020 £
	Hospital equipment, consultants, Physiotherapy dept. and outpatients	406	6,478
	Gardening	724	1,054
	Drinks machine	179	285
	Newspapers for Day Hospital	(41)	873
	Patient entertainment & hospital staff support	2,553	4,590
	Donations	604	500
	WRAP running costs (note 8)	29,636	25,263
	Support costs (note 6)	4,203	3,391
		<u>38,264</u>	<u>42,434</u>

Hawkhurst Community Hospital League of Friends
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2021

6. SUPPORT COSTS

	2021	2020
	£	£
Adverts, postage, stationery and telephone	434	922
Staff costs	1,162	-
Volunteer mileage	-	180
Legal & professional fees	586	644
Accountancy fees	500	500
Bank charges and interest	233	195
Depreciation	17	-
Computer costs	521	200
Governance costs – independent examination fees	750	750
	<u>4,203</u>	<u>3,391</u>

7. SHOP OVERHEADS

	2021	2020
	£	restated £
Staff costs	26,934	29,180
Rent	-	7,620
Business rates	305	134
Water	163	250
Gas & electricity	1,855	2,257
Insurance	1,017	1,309
Streamline costs	1,300	706
Telephone and internet	417	3,707
Depreciation	7,162	6,565
Premises costs	2,804	4,106
	<u>41,957</u>	<u>55,834</u>

8. WRAP RUNNING COSTS

	2021	2020
	£	£
Insurance	924	1,069
Other Costs	388	462
Depreciation	506	507
Legal and professional	1,732	1,300
Cleaning & supplies	1,007	780
Computer costs	351	429
Food Costs and Kitchen & Catering Supplies	1,695	1,414
Dementia Management	21,863	18,375
Training	1,020	-
Bad debts	150	927
	<u>29,636</u>	<u>25,263</u>

Hawkhurst Community Hospital League of Friends
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2021

9. EMPLOYEE COST

	2021	2020
	£	£
Salaries and wages	28,706	27,692
Social security costs	(1,071)	1,071
Pension costs	461	417
	<u>28,096</u>	<u>29,180</u>

The average number of staff for the year was:

	2021	2020
	No	No
Shop	3	3
	<u>3</u>	<u>3</u>

No member of staff was paid more than £60,000 per annum during either year.

10. TRUSTEES' REMUNERATION

No trustee received any remuneration in either year. No trustees (2020: three) received reimbursement of expenses during the year relating to purchases made on the charity's behalf (2020: £2,739).

11. NET INCOME/(EXPENDITURE)

This is stated after charging:	2021	2020
	£	restated £
Depreciation	7,685	7,072
Operating leases – property	-	7,620
	<u>-</u>	<u>7,620</u>

12. FIXED ASSETS

	Freehold property and improvements £	Fixtures and fittings £	Computer equipment £	Total £
Cost				
At 1 January 2021	171,621	5,063	2,070	178,754
Additions	-		400	400
At 31 December 2021	<u>171,621</u>	<u>5,063</u>	<u>2,470</u>	<u>179,154</u>
Depreciation				
At 1 January 2021 (restated)	6,565	4,463	2,070	13,098
Charge for the year	7,162	506	17	7,685
At 31 December 2021	<u>13,727</u>	<u>4,969</u>	<u>2,087</u>	<u>20,783</u>
Net book value				
At 31 December 2021	<u>157,894</u>	<u>94</u>	<u>383</u>	<u>158,371</u>
At 31 December 2020 (restated)	<u>165,056</u>	<u>600</u>	<u>-</u>	<u>165,656</u>

Hawkhurst Community Hospital League of Friends
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2021

13. DEBTORS

	2021	2020
	£	£
Trade Debtors	854	503
Other Debtors	2,146	559
Prepayments and accrued income	641	706
	<u>3,641</u>	<u>1,768</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade creditors	2,724	1,112
Other taxation and social security	458	1,019
Accruals	1,250	3,081
	<u>4,432</u>	<u>5,212</u>

15. COMMITMENTS UNDER OPERATING LEASES

As at 31 December 2021, the charity had no future minimum lease payments under non-cancellable operating equipment leases.

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	2021	
	Restricted Funds	Unrestricted Funds
	£	£
Tangible Fixed Assets	-	158,371
Current assets	20,980	94,091
Current liabilities	-	(4,432)
	<u>20,980</u>	<u>248,030</u>
		<u>269,010</u>

	2020	
	Restricted Funds	Unrestricted Funds
	£	£
<i>Tangible Fixed Assets</i>	-	165,656
<i>Current assets</i>	22,242	66,936
<i>Current liabilities</i>	(1,262)	(3,950)
	<u>20,980</u>	<u>228,642</u>
		<u>249,622</u>

Restricted funds relate to a legacy which was specified to be used for the benefit of the Physiotherapy Department of which £20,587 was remaining at 31 December 2021 (2020: £20,587) and £393 (2020: £393) in relation to funds raised during 2020 & 2021 for a sensory room.

Hawkhurst Community Hospital League of Friends

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2021

17. TAX

Hawkhurst Community Hospital League of Friends is a registered charity and as such its income and gains falling within Sections 471 to 489 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 are exempt from corporation tax to the extent that they are applied to its charitable objectives.