

FRIENDS OF LYDNEY HOSPITAL
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2023

FRIENDS OF LYDNEY HOSPITAL

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr J Williams Viscount Bledisloe Mrs M Thurston Mr A Midgley Mrs A Davies	(Appointed 1 May 2024)
Charity number	277785	
Principal address	Watts of Lydney Group Limited Althorpe House High Street Lydney Glos GL15 5DD	
Independent examiner	Griffiths Marshall Beaumont House 172 Southgate Street Gloucester Gloucestershire GL1 2EZ	

FRIENDS OF LYDNEY HOSPITAL

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FRIENDS OF LYDNEY HOSPITAL

TRUSTEES REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2023

The Trustees present their annual report and financial statements for the year ended 30 September 2023.

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)".

Objectives and activities and plans for future periods

The charity's objects are to support the activities around Lydney & District Hospital as stated in the Declaration of Trust dated 20th April 1979 by A M R Watts, M L Thomas, J R L Carson and A M R Rogers.

With the forthcoming closure of both Lydney and Dilke hospitals, the core purpose, for which the charity was formed in 1979 and to which many people donated money to provide local services in the South of the Forest, is changing. As previously reported over recent years the Trustees have been accumulating reserves to contribute to either a new hospital in Lydney or a modernized local facility.

The Trustees and Management Committee have been attempting to ensure that the loss of local services in the South of the Forest is minimised.

They are prepared to provide additional services for the yet to be confirmed new Medical Centre in Lydney.

So far, they have been unsuccessful as the Medical Centre and the Hospital are under different NHS Trusts.

The charity is also considering making grants to Charitable organisations providing health and well being services locally.

With this evolving change of purpose, the charity has been talking with other Leagues of Friends who find themselves in similar positions. Trustees will need to consider whether they need to take advice from the Charity Commissioners.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake in support of public benefit.

Achievements and performance and

Financial review

The Trustees now have considerable reserves most of which are managed by CCLA in their COIF Investment Fund. CCLA is the UK's largest Charity fund manager well known for pioneering ethical and responsible investment. A meeting was held with them in May 2023.

As can be seen from the accounts, whilst not actively fundraising the charity continues to receive limited donations as well as receiving income and interest from investment funds.

The investment funds increased in value recovering some of the loss from the previous year. With income from the substantial funds (reserves) it would be possible to support funding of any NHS commissioned services including MIIU, Diagnostics and mobile services including transport to the new hospital in Cinderford.

The restricted funds previously held have been returned to the League of Friends of Dilke being the residue of a jointly run Save our Services campaign.

The Trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

FRIENDS OF LYDNEY HOSPITAL

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2023

Structure, governance and management

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

Mr J Williams

Viscount Bledisloe

Mrs M Thurston

Mr A Midgley

Mrs A Davies

(Appointed 1 May 2024)

The Trustees are approved by existing and retiring Trustees and are responsible for the safe custody of funds. Should vacancies occur in the Board of Trustees, new Trustees are appointed following interview and the usual recruitment checks. At a recent Trustee meeting, Mrs Angela Davies, a former nurse, who had served on the Committee for many years, was appointed as a new Trustee. There are no employees - secretarial and other services are provided by Watts of Lydney Group without charge.

In accordance with the Trust Deed, the management of the charity is delegated to the 'Committee of Friends of Lydney Hospital', which is elected in accordance with the Trust Deed, and which approves the officers.

The Trustees report was approved by the Board of Trustees.

Mrs M Thurston

Trustees

14 June 2024

FRIENDS OF LYDNEY HOSPITAL

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF FRIENDS OF LYDNEY HOSPITAL

I report to the Trustees on my examination of the financial statements of Friends of Lydney Hospital (the charity) for the year ended 30 September 2023.

Responsibilities and basis of report

As the Trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. 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

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) 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.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

I have completed my examination. I confirm that no 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 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements to be reached.

G Lewis (FCA)

Griffiths Marshall
Beaumont House
172 Southgate Street
Gloucester
Gloucestershire
GL1 2EZ

Dated: 14 June 2024

FRIENDS OF LYDNEY HOSPITAL

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30 SEPTEMBER 2023

	Notes	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Income from:							
Donations and legacies	3	27,910	-	27,910	25,064	-	25,064
<u>Charitable activities</u>							
Investments	4	56,253	-	56,253	49,994	-	49,994
Total income		84,163	-	84,163	75,058	-	75,058
Expenditure on:							
<u>Raising funds</u>							
Fundraising and publicity	5	250	-	250	-	-	-
<u>Charitable activities</u>							
Charitable Activities	6	21,697	2,843	24,540	19,493	-	19,493
Total charitable expenditure		21,697	2,843	24,540	19,493	-	19,493
Total expenditure		21,947	2,843	24,790	19,493	-	19,493
Net gains/(losses) on investments	10	31,814	-	31,814	(110,451)	-	(110,451)
Net movement in funds		94,030	(2,843)	91,187	(54,886)	-	(54,886)
Fund balances at 1 October 2022		2,056,412	2,843	2,059,255	2,111,298	2,843	2,114,141
Fund balances at 30 September 2023		2,150,442	-	2,150,442	2,056,412	2,843	2,059,255

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

All income and expenditure derive from continuing activities.

FRIENDS OF LYDNEY HOSPITAL

BALANCE SHEET

AS AT 30 SEPTEMBER 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	12	11,860		15,813	
Investments	13	1,667,586		1,635,772	
		<u>1,679,446</u>		<u>1,651,585</u>	
Current assets					
Cash at bank and in hand		<u>470,996</u>		<u>407,670</u>	
Net current assets			470,996		407,670
Total assets less current liabilities		<u>2,150,442</u>		<u>2,059,255</u>	
Income funds					
Restricted funds	14	-		2,843	
Unrestricted funds		<u>2,150,442</u>		<u>2,056,412</u>	
		<u>2,150,442</u>		<u>2,059,255</u>	

The financial statements were approved by the Trustees on 14 June 2024

Mrs M Thurston
Trustee

FRIENDS OF LYDNEY HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2023

1 Accounting policies

Charity information

Friends of Lydney Hospital is an unincorporated charity, and was registered with the Charities Commission on 14 May 1979.

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 financial statements are prepared in sterling, which is the functional currency of the charity.

The financial statements have been prepared under the historical cost convention, modified to include investments at fair value. 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.

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.

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

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 are allocated on the portion of the asset's use.

FRIENDS OF LYDNEY HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2023

1 Accounting policies

(Continued)

Expenditure is included on an accruals basis, inclusive of irrecoverable VAT and is recognised when there is a legal or constructive obligation to pay.

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:

Equipment	25% Reducing balance
Fixtures and fittings	25% Reducing balance

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 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.

1.8 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).

1.9 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.

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.

Derecognition of financial liabilities

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

FRIENDS OF LYDNEY HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2023

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.

3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2023 £	2022 £
Donations and gifts	27,910	25,064

4 Investments

	Unrestricted funds	Unrestricted funds
	2023 £	2022 £
Investment income	53,367	49,712
Interest receivable	2,886	282
	56,253	49,994

5 Raising funds

	Unrestricted funds	Total
	2023 £	2022 £
<u>Fundraising and publicity</u>		
Advertising	250	-
	250	-

FRIENDS OF LYDNEY HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2023

6 Charitable activities

	Charitable Activities 2023 £	Charitable Activities 2022 £
Depreciation and impairment	3,953	5,271
Newspapers and sundries	1,158	-
Flowers and other costs	1,250	1,364
Hospital Donations	15,255	11,214
Hospital staff training	1,290	-
Bank charges	134	144
	<u>23,040</u>	<u>17,993</u>
Share of governance costs (see note 7)	1,500	1,500
	<u>24,540</u>	<u>19,493</u>
Analysis by fund		
Unrestricted funds	21,697	19,493
Restricted funds	2,843	-
	<u>24,540</u>	<u>19,493</u>

7 Support costs

	Support costs £	Governance costs £	2023 £	2022 £
Legal and professional	-	1,500	1,500	1,500
	<u>-</u>	<u>1,500</u>	<u>1,500</u>	<u>1,500</u>
Analysed between Charitable activities	-	1,500	1,500	1,500
	<u>-</u>	<u>1,500</u>	<u>1,500</u>	<u>1,500</u>

8 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

FRIENDS OF LYDNEY HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2023

9 Employees

There were no employees during the year.

10 Net gains/(losses) on investments

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Revaluation of investments	31,814	(110,451)

11 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

12 Tangible fixed assets

	Equipment	Fixtures and fittings	Total
	£	£	£
Cost			
At 1 October 2022	22,675	24,393	47,068
At 30 September 2023	22,675	24,393	47,068
Depreciation and impairment			
At 1 October 2022	15,500	15,754	31,254
Depreciation charged in the year	1,794	2,160	3,954
At 30 September 2023	17,294	17,914	35,208
Carrying amount			
At 30 September 2023	5,381	6,479	11,860
At 30 September 2022	7,175	8,638	15,813

FRIENDS OF LYDNEY HOSPITAL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2023

13 Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 October 2022	1,635,772
Valuation changes	31,814
	<hr/>
At 30 September 2023	1,667,586
	<hr/>
Carrying amount	
At 30 September 2023	1,667,586
	<hr/>
At 30 September 2022	1,635,772
	<hr/>

14 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:

	Movement in funds				
	Balance at 1 October 2021	Incoming resources	Balance at 1 October 2022	Resources expended	Balance at 30 September 2023
	£	£	£	£	£
Pathfinder SET	2,843	-	2,843	(2,843)	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

15 Analysis of net assets between funds

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total Unrestricted funds 2023 £	Total Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Fund balances at 30 September 2023 are represented by:						
Tangible assets	11,860	-	11,860	15,813	-	15,813
Investments	1,667,586	-	1,667,586	1,635,772	-	1,635,772
Current assets/(liabilities)	470,996	-	470,996	404,827	2,843	407,670
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	2,150,442	-	2,150,442	2,056,412	2,843	2,059,255
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

16 Related party transactions

There were no disclosable related party transactions during the year (2022 - none).