

**FRIENDS OF LYDNEY HOSPITAL**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2019**

# **FRIENDS OF LYDNEY HOSPITAL**

## **LEGAL AND ADMINISTRATIVE INFORMATION**

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<b>Trustees</b>	Mr J Williams Viscount Bledisloe Mrs M Thurston
<b>Charity number</b>	277785
<b>Principal address</b>	Watts of Lydney Group Limited Althorpe House High Street Lydney Glos GL15 5DD
<b>Independent examiner</b>	Griffiths Marshall Beaumont House 172 Southgate Street Gloucester GL1 2EZ

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# **FRIENDS OF LYDNEY HOSPITAL**

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# **FRIENDS OF LYDNEY HOSPITAL**

## **TRUSTEES REPORT**

### **FOR THE YEAR ENDED 30 SEPTEMBER 2019**

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The Trustees present their report and financial statements for the year ended 30 September 2019.

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)" (as amended for accounting periods commencing from 1 January 2016).

#### **Objectives and activities**

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.

The Friends continue to assist Lydney Hospital with purchases of equipment and support for staff and patients. Besides supplying minor equipment, the MIU required an up-to-date Haag slit lamp and eye imaging machine, which the Trustees have purchased and are loaning to the Hospital until the future arrangements for the Hospital are known.

Trustees and the management committee have maintained a close relationship with the Health Authorities to ensure that Urgent Care and Outpatient facilities continue to be provided locally.

Over many years we have had excellent provision and do not wish the ever-increasing population of the South Forest to be disadvantaged by centralisation of existing services.

The aspiration is to replace any lost services in a new innovative 21st century facility for Lydney and the South of the Forest of Dean.

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

#### **Financial review**

The majority of the funds are managed by COIF Charity Investment Fund which besides producing an income, has increased in value.

The Trustees now have substantial reserves and when the direction of the new health provision in Lydney and the South Forest are better known, the Trustees will consider how they can assist in supplementing local services; in the meantime they will continue to support the provision of services at Lydney Hospital.

Investments are held for the purpose of generating a financial return which will be applied to present and future charitable purposes.

The Trustees has 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.

#### **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 B James

(Deceased 23 May 2020)

# **FRIENDS OF LYDNEY HOSPITAL**

## **TRUSTEES REPORT (CONTINUED)**

**FOR THE YEAR ENDED 30 SEPTEMBER 2019**

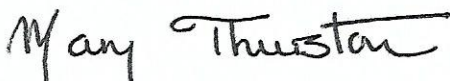
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Should vacancies occur in the Board of Trustees, new Trustees are appointed following interview and the usual recruitment checks.

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. At our AGM in April 2019, Tony Midgley resigned as Chairman of the management committee.

Brian James, a Trustee and the Treasurer became ill during the year, and sadly passed away in May 2020. Brian had been a most diligent and hardworking Treasurer and was an enthusiastic ambassador for maintaining local health services. He will be sadly missed. After discussion, the Trustees considered that Tony Midgley was well qualified and possessed the skills to fill the vacancy, and he has accepted the position.

The Trustees report was approved by the Board of Trustees.



**Mrs M Thurston**

Trustees

Dated: 19 November 2020



# FRIENDS OF LYDNEY HOSPITAL

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF FRIENDS OF LYDNEY HOSPITAL

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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 2019.

#### 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.

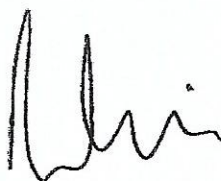
I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 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.

Ian Price (FCA)

Griffiths Marshall  
Beaumont House  
172 Southgate Street  
Gloucester  
GL1 2EZ



Dated: 19 November 2020

# FRIENDS OF LYDNEY HOSPITAL

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 30 SEPTEMBER 2019

	Notes	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £	Total 2018 £
<b><u>Income from:</u></b>					
Donations and legacies	3	13,429	-	13,429	55,092
<b><u>Charitable activities</u></b>					
Other trading activities	4	2,134	-	2,134	13,146
Investments	5	47,490	18	47,508	40,005
<b>Total income</b>		<b>63,053</b>	<b>18</b>	<b>63,071</b>	<b>108,243</b>
<b><u>Expenditure on:</u></b>					
<b><u>Raising funds</u></b>					
Fundraising and publicity	6	1,479	-	1,479	3,308
<b><u>Charitable activities</u></b>					
Charitable Activities	7	15,936	-	15,936	147,872
<b>Total charitable expenditure</b>		<b>15,936</b>	<b>-</b>	<b>15,936</b>	<b>147,872</b>
<b>Total resources expended</b>		<b>17,415</b>	<b>-</b>	<b>17,415</b>	<b>151,180</b>
Net gains/(losses) on investments	11	17,761	-	17,761	144,744
<b>Net movement in funds</b>		<b>63,399</b>	<b>18</b>	<b>63,417</b>	<b>101,807</b>
Fund balances at 1 October 2018		1,662,832	2,815	1,665,647	1,563,840
<b>Fund balances at 30 September 2019</b>		<b>1,726,231</b>	<b>2,833</b>	<b>1,729,064</b>	<b>1,665,647</b>

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 2019

	Notes	2019 £	£	2018 £	£
<b>Fixed assets</b>					
Tangible assets	12	28,599		-	
Investments	13	1,537,266		1,519,505	
		<u>1,565,865</u>		<u>1,519,505</u>	
<b>Current assets</b>					
Cash at bank and in hand		163,199		146,142	
Net current assets		<u>163,199</u>		<u>146,142</u>	
<b>Total assets less current liabilities</b>		<u>1,729,064</u>		<u>1,665,647</u>	
<b>Income funds</b>					
Restricted funds		2,833		2,815	
Unrestricted funds		1,726,231		1,662,832	
		<u>1,729,064</u>		<u>1,665,647</u>	

The financial statements were approved by the Trustees on 19 November 2020

*Mary Thurston*

Mrs M Thurston  
Trustee



# FRIENDS OF LYDNEY HOSPITAL

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2019

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### 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)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

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

# FRIENDS OF LYDNEY HOSPITAL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2019

### 1 Accounting policies

(Continued)

#### 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 net income/(expenditure) for the year.

#### 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 2019

### 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	Total
	2019 £	2018 £
Donations and gifts	9,834	7,592
Legacies receivable	3,595	47,500
	<u>13,429</u>	<u>55,092</u>

### 4 Other trading activities

	Unrestricted funds	Total
	2019 £	2018 £
Membership & committee subscriptions	-	1,058
Fundraising events	2,134	12,088
Other trading activities	<u>2,134</u>	<u>13,146</u>

# FRIENDS OF LYDNEY HOSPITAL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2019

### 5 Investments

	Unrestricted funds	Restricted funds	Total	Total
	2019 £	2019 £	2019 £	2018 £
Investment income	47,339	-	47,339	39,608
Interest receivable	151	18	169	397
	<u>47,490</u>	<u>18</u>	<u>47,508</u>	<u>40,005</u>
For the year ended 30 September 2018	<u>39,997</u>	<u>8</u>		<u>40,005</u>

### 6 Raising funds

	Unrestricted funds	Total
	2019 £	2018 £
<u>Fundraising and publicity</u>		
Staging fundraising events	1,038	3,039
Advertising	441	269
	<u>1,479</u>	<u>3,308</u>
Fundraising and publicity	<u>1,479</u>	<u>3,308</u>



# FRIENDS OF LYDNEY HOSPITAL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2019

### 7 Charitable activities

	Charitable Activities 2019 £	Charitable Activities 2018 £
Depreciation and impairment	9,741	-
Equipment costs	-	133,399
Patient and staff amenities	-	723
Liability insurance	561	561
Newspapers and sundries	1,903	1,447
Repairs and renewals	2,611	-
	<u>14,816</u>	<u>136,130</u>
Share of governance costs (see note 8)	1,120	11,742
	<u>15,936</u>	<u>147,872</u>

### 8 Support costs

	Support costs £	Governance costs £	2019 £	2018 £
Legal and professional	-	1,120	1,120	11,642
Independent examiners fees	-	-	-	100
	<u>-</u>	<u>1,120</u>	<u>1,120</u>	<u>11,742</u>
Analysed between Charitable activities	-	1,120	1,120	11,742

Governance costs includes payments to the independent examiners of £nil (2018- £100) for examination fees.

### 9 Trustees

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

### 10 Employees

There were no employees during the year.

# FRIENDS OF LYDNEY HOSPITAL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2019

### 11 Net gains/(losses) on investments

	Unrestricted funds	Total
	2019 £	2018 £
Revaluation of investments	17,761	144,744

### 12 Tangible fixed assets

	Equipment £	Fixtures and fittings £	Total £
<b>Cost</b>			
Additions	22,675	15,665	38,340
At 30 September 2019	22,675	15,665	38,340
<b>Depreciation and impairment</b>			
Depreciation charged in the year	5,669	4,072	9,741
At 30 September 2019	5,669	4,072	9,741
<b>Carrying amount</b>			
At 30 September 2019	17,006	11,593	28,599

### 13 Fixed asset investments

	Listed investments £
<b>Cost or valuation</b>	
At 1 October 2018 & 30 September 2019	1,519,505
<b>Carrying amount</b>	
At 30 September 2019	1,519,505
At 30 September 2018	1,519,505

### 14 Financial instruments

	2019 £	2018 £
<b>Carrying amount of financial assets</b>		
Equity instruments measured at cost less impairment	1,537,266	1,519,505

# FRIENDS OF LYDNEY HOSPITAL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2019

### 15 Analysis of net assets between funds

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £	Total 2018 £
Fund balances at 30 September 2019 are represented by:				
Tangible assets	28,599	-	28,599	-
Investments	1,537,266	-	1,537,266	1,519,505
Current assets/(liabilities)	160,384	2,815	163,199	146,142
	<u>1,726,249</u>	<u>2,815</u>	<u>1,729,064</u>	<u>1,665,647</u>

### 16 Related party transactions

There were no disclosable related party transactions during the year (2018 - none).