

THE LEAGUE OF FRIENDS OF THE BUDLEIGH SALTERTON HOSPITAL
Registered Charity No 1028245

TRUSTEES' REPORT FOR THE YEAR ENDED 31ST DECEMBER 2018

Principal address of the charity

Budleigh Salterton Community Hospital Health & Wellbeing Hub, East Budleigh Road,
Budleigh Salterton, Devon EX9 6HF

Trustees

The trustees as at the date of this report and during the year ended 31st December 2018 were as follows:

Mr C H Davis – Chairman (with effect from 12th July 2018; Treasurer prior to that date)
Dr G Taylor – Vice Chairman
Mrs C May – Secretary
Mr I Christie – Treasurer (with effect from 12th July 2018)
Dr D Evans – Honorary Life Chairman (with effect from 12th July 2018; Chairman prior to that date)
Dr D Boyle
Mrs M Brooks
Mrs J Clemo
Miss D Godfrey
Mrs M Hobbs
Mrs S Lake
Mr A B Miller (until 13th July 2018)
Mrs W Morrish
Mrs J Trapnell

Organisation and control

The League of Friends of the Budleigh Salterton Hospital (the “League”) was established in 1948 and its activities are governed by a written Constitution, last updated in July 2012, which sets out its objects and rules. It is registered with the Charity Commission under registration no.1028245, and is therefore subject to the legislation applicable to charities.

The League’s affairs are managed by a Committee consisting of up to 15 Trustees. The Committee may elect any member of the League to be a member of the Committee until the following Annual General Meeting at which time any new Committee member is subject to re-election by the members of the League. One third of the members of the Committee retire at the Annual General Meeting every year but are eligible for re-election. Honorary officers of the League, comprising the Chairman, Vice-Chairman, Secretary and Treasurer, are elected by the Committee on a triennial basis but are eligible for re-election.

The Committee normally meets quarterly to organise any fund-raising activities, to approve grants and to review the financial situation of the League.

Aims

Established in 1948, the League exists to support the work of the Budleigh Salterton Hospital, and the health and welfare of its patients.

The hospital reopened at the end of 2017 as a Health and Wellbeing Hub (the “Hub”). NHS Property Services is the owner of the hospital. Westbank Community Enterprises, a subsidiary of Westbank Healthy Living and Community Care Centre, a charity, is the leaseholder of the hospital and operator of the Hub. Clinical Services are sub-leased by Westbank to the Royal Devon and Exeter NHS Foundation Trust.

Main activities undertaken by the League for the public benefit

Members of the Committee of the League were instrumental in the negotiations and finance of the redevelopment of the hospital into its present form as the Hub.

The League is represented on the Hub Advisory Group by members of the Committee. In the interests of continuity and sustainability, the League continues to act in liaison with Westbank in promoting the Hub with NHS partners, with local government organisations and generally to the local community.

The League raises income through membership subscriptions, donations, legacies, fundraising activities and returns on investments. These resources are principally used to fund improvements to the hospital and provide grants to organisations associated with the Hub, in order to benefit users of the Hub and help to ensure a sustainable and secure future of the Hub for the benefit of the local community.

In addition, the League leases the garden adjoining the Hub, which is provided for the benefit of users of the Hub and organisations involved in the Hub, and the League pays for maintenance of this garden.

It is not the policy of the League to meet those day-to-day running costs of the Hub which are the proper responsibility of Westbank.

The Trustees have paid due regard to the Charity Commission’s public benefit guidance, and consider that these activities meet the public benefit by ensuring the continuing viability of the hospital for the benefit of all in the community.

Main achievements in the year

Following its re-opening at the end of 2017, the Hub was opened officially in May 2018.

During 2018 the level and breadth of activities and services available at the Hub steadily increased. This is of great importance to the Budleigh Salterton, and wider WEB (Woodbury, Exmouth and Budleigh), communities, whose health and welfare we wish to support. It is also particularly pleasing to the League, which was instrumental in the negotiations and finance of the redevelopment of the hospital into its present form as the Hub.

In September 2018 the Rt Hon Matt Hancock MP, Secretary of State for Health and Social Care, visited the Hub to see first-hand how this innovative partnership project is meeting the needs of the local community. He was hosted by the Chief Executive of Westbank, together

with Sir Hugo Swire MP. Dr David Evans, our Honorary Life Chairman, accompanied Mr Hancock and introduced him to service providers and users of the Hub.

Members of the Committee liaise regularly with the Hub Manager and with the Chief Executive of Westbank on matters such as the marketing of the Hub and how its performance will be evaluated.

During 2018, grants for equipment and fittings in the Hub totalling £102,127 were given by the Trustees on behalf of the League, comprising telecom and network installation of £16,656, signage of £2,734, gym equipment of £51,736, furniture and fittings of £27,915 and mobile heated food trolleys of £3,086.

In addition, during the year the Trustees agreed an annual grant of £5,900 for co-ordination of Hub transport. We also sub-contracted gardening services to Launchpad who plan to train people with learning disabilities as auxiliaries to assist with gardening.

Reserves

The League expects to use the majority of its regular income from subscriptions, donations, fund-raising activities and investments on suitable qualifying projects each year. However, income, particularly from legacies, cannot be forecast accurately, and hospital needs vary. Consequently, in any given year, there may be a significant surplus or shortfall. The Trustees therefore aim to accumulate reserves in some years to enable them to meet possible shortfalls and to fund larger projects and improvements to the fabric and environment of the hospital from time to time.

Investments

Those funds of the League, which are not required to meet short-term obligations, are currently invested by Brewin Dolphin under a discretionary investment arrangement, whereby the Trustees determine an investment policy and risk profile for the funds and Brewin Dolphin invest the funds as they consider appropriate in order to achieve this investment policy and risk profile.

Taxation

Wherever it is practicable so to do, Gift Aid certificates are obtained from donors to enable income tax to be reclaimed.

Financial review of the year

During the year, income amounted to £111,944 (2017: £97,200).

The amount of subscriptions and legacies received increased from £74,765 to £90,808 due to increased income from legacies. Investment income decreased from £24,233 to £20,876. Investment income arises mainly from dividends on quoted investment funds.

Charitable expenditure during the year amounted to £116,761 (2017: £449,059). The prior year included an amount of £434,127 paid for refurbishment and conversion of the hospital building to a Health and Well-being Hub, as previously reported. The principal component of

charitable expenditure in 2018 was grants for equipment and fittings in the Hub totalling £102,127. Governance costs were £9,023 (2017: £9,592).

The deficit in income over expenditure for the year was £4,817 (2017: deficit of £351,859).

A loss on revaluation of £63,248 (2017: gain of £52,988) was suffered as a result of a general decrease in values of our investments, particularly in the final quarter of 2018 when various macro-economic issues impacted stock market values around the world.

The total value of investments including cash at 31st December 2018 was £755,761 (31st December 2017: £822,616).

The accounts for the year ended 31st December 2018 are attached to this report, together with the report of the independent examiner.

By order of the Trustees

Chris Davis, Chairman
11th July 2019

THE LEAGUE OF FRIENDS OF THE BUDLEIGH SALTERTON HOSPITAL

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	<u>2018</u>	<u>2017</u>
INCOMING RESOURCES			
Subscriptions, donations and legacies	2	90,808	67,728
Fund-raising activities	3	260	5,239
Investment income	4	20,876	24,233
		<u>111,944</u>	<u>97,200</u>
LESS: RESOURCES EXPENDED			
Cost of generating funds	5	149	1,886
Direct charitable expenditure	6	107,589	437,581
Other costs	7	9,023	9,592
		<u>116,761</u>	<u>449,059</u>
NET INCOMING/(OUTGOING) RESOURCES		(4,817)	(351,859)
OTHER RECOGNISED GAINS/LOSSES			
Unrealised gains/(losses) on investments	10	<u>(63,248)</u>	<u>52,988</u>
NET MOVEMENT IN FUNDS		(68,065)	(298,871)
TOTAL FUNDS AT 1 JANUARY		822,585	1,121,456
TOTAL FUNDS AT 31 DECEMBER		<u>£754,520</u>	<u>£822,585</u>

THE LEAGUE OF FRIENDS OF THE BUDLEIGH SALTERTON HOSPITAL

BALANCE SHEET AS AT 31 DECEMBER 2018

	Notes	<u>2018</u>	<u>2017</u>
FIXED ASSETS			
Furniture and equipment	9	<u>-</u>	<u>-</u>
INVESTMENT ASSETS			
Quoted investment companies	10	<u>713,782</u>	<u>722,204</u>
CURRENT ASSETS			
Stock of fund-raising materials	5	244	333
Debtors and prepayments	11	436	1,292
Cash at bank and in hand	12	<u>41,979</u>	<u>100,412</u>
		<u>42,659</u>	<u>102,037</u>
LESS: CURRENT LIABILITIES			
Creditors and accruals	13	1,921	1,656
NET CURRENT ASSETS		<u>40,738</u>	<u>100,381</u>
NET ASSETS		<u>£754,520</u>	<u>£822,585</u>
REPRESENTED BY:			
TOTAL FUNDS			
Unrestricted		<u>£754,520</u>	<u>£822,585</u>

Approved by the Trustees on 30 April 2019, and signed on their behalf by

I Christie
Hon. Treasurer

C H Davis
Chairman

THE LEAGUE OF FRIENDS OF THE BUDLEIGH SALTERTON HOSPITAL

NOTES TO THE ACCOUNTS

1 ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention with items recognised at cost or transactions value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: 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) issued on 16 July 2014 as updated by bulletin 1 and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and 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 Accounting and Reporting by Charities preparing their accounts in accordance with SORP (FRS 102) updated by bulletin 1.

The charity constitutes a public benefit entity as defined by FRS102. The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by the Charities SORP FRS102 a restatement of comparative items was needed. No restatements were required. In accordance with the requirements of FRS 102 a reconciliation of opening balances and net income/(expenditure) for the year is provided with the net income/(expenditure) under previous GAAP adjusted for the presentation of investment gains/(losses) as a component of reported income

Incoming resources are recognised when there is a legal entitlement to receipt and the amount is known.

Resources expended are recognised when there is a legal or constructive obligation to the expenditure.

Assets costing over £1,000, and with an estimated useful life not exceeding five years, are shown as fixed assets in the balance sheet at historic cost. Depreciation is provided in equal annual instalments.

Investments quoted on a recognised stock exchange are valued at market value at the year end.

The stock of fund-raising materials is valued at the lower of cost and net realisable value.

2 SUBSCRIPTIONS, DONATIONS AND LEGACIES

	<u>2018</u>	<u>2017</u>
Subscriptions & Donations	4,207	15,107
Legacies and Grants	85,977	51,000
Income tax recovered	624	1,621
	<u>£90,808</u>	<u>£67,728</u>

3 FUND-RAISING ACTIVITIES

	<u>2018</u>	<u>2017</u>
Garden fête	-	5,163
Christmas & Coffee mornings	37	18
Other fund-raising activities	223	58
	<u>£260</u>	<u>£5,239</u>

4	INVESTMENT INCOME	<u>2018</u>	<u>2017</u>
	COIF Deposit	2	1
	Brewin Dolphin	-	13
	Gilt-edged securities	-	-
	Other Investments	20,842	24,044
	Lloyds Deposit	32	175
		<u>£20,876</u>	<u>£24,233</u>
5	COST OF GENERATING FUNDS	<u>2018</u>	<u>2017</u>
	Stock of fund-raising materials at 1 January	333	583
	Purchases in year	-	0
	Less: Stock of fund-raising materials at 31 December	(244)	(333)
		<u>89</u>	<u>250</u>
	Other fund-raising expenses	60	1,636
		<u>£149</u>	<u>£1,886</u>
6	DIRECT CHARITABLE EXPENDITURE	<u>2018</u>	<u>2017</u>
	Gardening, including Launchpad Hortic@theHub grant	4,432	3,454
	Flowers	1,030	-
	Grants for equipment & fittings for the Hub	102,127	-
	Other direct charitable expenditure	-	434,127
		<u>£107,589</u>	<u>£437,581</u>
7	OTHER COSTS	<u>2018</u>	<u>2017</u>
	Depreciation of fixed assets	-	-
	Postage, printing and stationery	14	56
	Insurance	668	718
	AGM expenses	860	591
	Brewin Dolphin Management Charge	6,543	7,751
	Independent examiner fee	360	360
	Other (under £200)	578	116
		<u>£9,023</u>	<u>£9,592</u>
8	TRUSTEE EXPENSES		

The amount paid to Trustees for services provided to the League of Friends during the year was nil (2017: nil).

9	FIXED ASSETS	<u>2018</u>	<u>2017</u>
	Cost		
	At 1 January	8,384	8,384
	At 31 December	<u>8,384</u>	<u>8,384</u>
	Less: Accumulated depreciation		
	At 1 January	8,384	8,344
	Additions in year	-	40
	At 31 December	<u>8,384</u>	<u>8,384</u>
	Net book value		
	At 31 December	<u>£0</u>	<u>£0</u>

Fixed assets consists principally of garden furniture, a sound system and office equipment.
Any related depreciation is included in governance costs.

10	INVESTMENT ASSETS	<u>2018</u>	<u>2017</u>
	GILT EDGED SECURITIES		
	Market value at 1st January	-	99,798
	Less: disposals at market value	-	(98,405)
	Add/(deduct) net gain/(loss) on revaluation	-	(1,393)
	Market value at 31st December	<u>£0</u>	<u>£0</u>

QUOTED INVESTMENT COMPANIES

	Market Value at 1st January	722,204	751,142
	Add: additions to investments at cost	113,224	77,000
	Less: disposals at market value	(58,398)	(160,319)
	Add/(deduct) net gain/(loss) on revaluation	(63,248)	54,381
	Market Value at 31st December	<u>£713,782</u>	<u>£722,204</u>
	Total Investment Assets	<u>£713,782</u>	<u>£722,204</u>

11	DEBTORS AND PREPAYMENTS	<u>2018</u>	<u>2017</u>
	Bank and investment interest not yet credited	-	-
	Debtors and prepayments	436	1,292
		<u>£436</u>	<u>£1,292</u>

12	CASH AT BANK AND IN HAND	<u>2018</u>	<u>2017</u>
	Current account	20,030	91,381
	COIF	500	500
	Brewin Dolphin	17,724	8,531
	Lloyds Deposits	3,725	-
		<u>£41,979</u>	<u>£100,412</u>

13	CREDITORS AND ACCRUALS	<u>2018</u>	<u>2017</u>
	Charitable expenditure commitments	-	-
	Other creditors	1,921	1,656
		<u>£1,921</u>	<u>£1,656</u>

Independent examiner's report to the trustees of the League of Friends of the Budleigh Salterton Hospital

I report to the trustees on my examination of the accounts of the Charity for the year ended 31 December 2018, which are set out on pages 1 to 5.

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 Trustee'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.

Name: Andrew G Spear

Relevant professional qualification or membership of professional body (if any): FCCA

Address: 17-18 Leach Road, Chard Business Park, Chard, Somerset, TA20 1FA

Date: 23 April 2019