

FRIENDS OF EAST SURREY HOSPITAL
ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2018

FRIENDS OF EAST SURREY HOSPITAL

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FRIENDS OF EAST SURREY HOSPITAL

SIGNIFICANT INFORMATION

Registered Charity Number 287535

Trustees

Under their Constitution the activities of the Friends are coordinated by a Committee of Trustees whose powers and responsibilities are defined in the Governing Document. The Trustees also decide on the general policy to be adopted in the pursuance of the objectives of the Friends. The Committee of Trustees during the financial year being reported on is set out below.

COMMITTEE OF TRUSTEES 2018

Mr Richard Burford	Chairman
Mr Stephen Otterburn	Hon. Treasurer
Mrs Lindsay Reyniers	Hon. Secretary

Mr Roy Davies
Mr Peter Ellis (retired September 2018)
Mrs Ruth Harwood
Mrs Margaret Lydon
Mrs Jackie Redman
Mrs Alison Stagg
Mrs Sue Woodall
Mrs Sue Brankin (appointed on 9 July 2018)

The Chief Executive of East Surrey Healthcare NHS Trust also attends meetings by invitation.

Principal Address:

East Surrey Hospital
Canada Avenue
Redhill, Surrey RH1 5RH

Solicitors:

Thomas Eggar
Chatham Court, Lesbourne Road
Reigate, Surrey RH2 7FN

Bankers:

National Westminster Bank
39 High Street
Redhill, Surrey RH1 1QN

Independent Examiner:

David Wheeler FCCA
Braidwood Wheeler and Co.
Chartered Certified Accountants
Goodman House
13a West Street
Reigate, Surrey RH2 9BL

FRIENDS OF EAST SURREY HOSPITAL

REPORT OF THE TRUSTEES

The Trustees present their report and the financial statements for the year ended 31st December 2018 under the Charities Act 2011 and confirm that they comply with their constitution and the Charities SORP 2015 applicable to charities preparing their accounts in accordance with Financial Reporting Standard applicable in the UK (FRS102).

STRUCTURE GOVERNANCE AND MANAGEMENT

Registration

The Friends of East Surrey Hospital are registered under the Charities Act 1960 and are affiliated to the National Association of Leagues of Hospital Friends, now known as “Attend”. Their registered Charity number is 287535.

Governing Document

The Friends are governed by a written constitution which sets out the rules and objectives under which they may operate. This was adopted in March 1983 and approved by the Charity Commissioners in July 1983. There have been four amendments which have been notified to and approved by the Charity Commissioners.

Governing Body

Trustees are elected at the Friends’ Annual General Meeting. Careful consideration is given to the appointment of Trustees and individuals are approached where there is a need for a particular skill. All areas of responsibility are adequately covered by the existing Committee of Trustees.

Election and training of Trustees

There are ten Trustees of the Charity, all of whom are elected by the membership of the Friends. The ballot takes place at the Charity’s Annual General Meeting, which is held in September each year. Trustees are well briefed about the procedures and policies of the Friends of East Surrey Hospital. Additionally, each Trustee is issued with a copy of the booklet “The essential trustee: what you need to know, what you need to do” CC3, published by the Charity Commission, to provide a source of permanent reference. Trustees are also encouraged to attend external training courses, where this is considered appropriate.

Organisational Management

The Trustees, who meet six times per year, are legally responsible for the overall management and control of the Friends of the East Surrey Hospital. The Trustees determine the strategic policy of the Friends and regularly review its operations. All of the Trustees, except the Chairman and Mr Roy Davies, work in the Friends’ Coffee Shop, which is managed by two of the Trustees.

FRIENDS OF EAST SURREY HOSPITAL

REPORT OF THE TRUSTEES (continued)

Risk Management

The Trustees are responsible for the risk faced by Friends, their Members and Shop Helpers. Risks are identified, assessed and controls applied throughout the year. The Trustees regularly carry out a review of the Risk Analysis of the Friends' activities, so that preventative measures can be taken to minimise any area of risk to the Charity's customers or to the Shop Helpers that are identified in this review.

CHARITABLE OBJECTS, AIMS AND OBJECTIVES

Objects

The Friends' are governed by a written constitution, which sets out the rules and objectives under which they may operate. Its charitable objectives are to supplement the service provided by East Surrey Hospital with monetary grants for the benefit of patients, staff and visitors.

Aims

The Friends' aim is to assist in promoting the health, comfort and welfare of the patients, their visitors and the staff of the East Surrey Hospital, by the provision of equipment, medical and otherwise, and amenities, by running a Coffee Shop in the Hospital and generally by supporting the charitable work of the Hospital.

Objectives and activities for the public benefit

The Trustees' objectives for the year were: -

- (i) Fundraising to enable the purchase of equipment and amenities for the Hospital
- (ii) To ensure the smooth running of the Charity's Coffee Shop, in order to provide an efficient service to the Hospital's community making available refreshments, reading matter and other useful items; to raise funds to support the Hospital.
- (iii) To recruit sufficient volunteers, in order to ensure that the Friends' Shop is adequately staffed during their opening times
- (iv) To continue to support the charitable work of the Hospital

The trustees confirm that they have referred to the Charity Commission's guidance on public benefit when reviewing the Trust's aims and objectives, and in planning future activities.

Powers

Under the terms of the governing document, any monies and property of the Friends' not immediately required for the purposes of the Friends' may be held or vested in such persons as the Committee may from time to time determine.

Grant making policy

The Trustees consider the approval of grants at their Committee Meetings following the receipt of their application form, countersigned by the duly appointed Hospital executives, in respect of submissions to the Charity. Grants are made to further the aims of the Friends' to purchase equipment and amenities. The Friends' do not support staffing costs or maintenance costs of equipment and amenities for the Hospital.

FRIENDS OF EAST SURREY HOSPITAL

REPORT OF THE TRUSTEES (continued)

Volunteers

The Trustees of the Friends' are extremely grateful to the Charity's Shop Helpers and Volunteers for their unstinting efforts. They give freely of their time in support of our objectives and are involved in a wide sphere of activities in operating the shop, fundraising and administration. To calculate a monetary value of their activities would not be practical.

REVIEW OF ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR

Organisational performance

The support for the shop increased with a trading surplus of £116,738 compared to £114,652 last year.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

Income for the year totalled £124,088 (2017: £186,649) including £116,738 (2017: £114,652) from running the shop, donations of £7,149 (2017: £9,617) and legacies of £nil (2017: £62,331). Grants to the hospital totalled £231,847 (2017: £142,114). The total results for the year were an excess of expenditure over income of £116,458 (2017: net surplus of £38,939). The reserves to carry forward are £181,345 (2017: £297,553). They will be used to fund further needs of the hospital, its staff and patients as required.

SIGNIFICANT GRANTS MADE TO THE HOSPITAL IN 2018

Liver Fibro Scanner	£75,883
Heart Monitors for Holmwood Ward	£26,313
15 Z beds for Palliative care	£11,130
Contribution towards Ultrasound equipment	£30,000
Specialist Echocardiograph equipment	£50,170
Digital Flexible Utererorenoscope	£19,456
Relatives room on Charlwood ward	£11,780

RESERVES POLICY

General reserves

Reserves are built up in order to purchase expensive items of equipment every few years.

Bank and Cash Reserves

As recommended by guidance from the Charity Commission, a cash balance is maintained in the Friends' current bank account to cover the necessity for making alternative arrangements, in the event of any current supplier failing to continue providing an existing service.

FRIENDS OF EAST SURREY HOSPITAL

REPORT OF THE TRUSTEES (continued)

FUTURE PLANS

The Charity relies entirely on voluntary help for its success and hopes to continue to get the generous commitment from the volunteers to raise income to provide much needed equipment and facilities for the Hospital.

INDEPENDENT EXAMINER

A proposal for the reappointment of the independent examiner, Braidwood Wheeler & Co., who are willing to continue in office, will be proposed at the Friends' Annual General Meeting.

TRUSTEES RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The Trustees are responsible for preparing the Trustees' Annual 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 & 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 period. 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 judgments 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;
- 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 proper 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.

Approved by the Trustees on 19th July 2019 and signed on their behalf by

R.A Burford (Chairman)

FRIENDS OF EAST SURREY HOSPITAL

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF

FRIENDS OF EAST SURREY HOSPITAL

I report to the charity trustees on my examination of the accounts of Friends of East Surrey Hospital for the year ended 31st December 2018.

Responsibilities and basis of report

As the charity trustees of the Trust 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 Trust'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 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 Trust 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.

David Wheeler FCCA – Independent Examiner

Braidwood Wheeler & Co.
Chartered Certified Accountants
Goodman House
13a West Street
Reigate
Surrey RH2 9BL

Date: 19th July 2019

FRIENDS OF EAST SURREY HOSPITAL
STATEMENT OF FINANCIAL ACTIVITIES FOR THE
YEAR ENDED 31ST DECEMBER 2018

	<u>Notes</u>	<u>2018</u> £	<u>2017</u> £
<u>GENERAL FUND</u>			
INCOME			
Donations and legacies		7,149	71,948
Trading activities: shops	2	116,738	114,652
Investment income	3	201	49
Total income		<u>124,088</u>	<u>186,649</u>
EXPENDITURE			
Charitable expenditure	4	231,847	142,114
Management and administration	5	6,874	4,166
Governance	6	1,575	1,430
Total expenditure for the year		<u>240,296</u>	<u>147,710</u>
Net movement in funds		(116,208)	38,939
RECONCILIATION OF FUNDS			
GENERAL FUND brought forward		297,553	258,614
GENERAL FUND carried forward		<u>£181,345</u>	<u>£297,553</u>

The notes on pages 10 to 12 form an integral part of these Accounts

FRIENDS OF EAST SURREY HOSPITAL

BALANCE SHEET AS AT 31ST DECEMBER 2018

	<u>Notes</u>	<u>2018</u> £	<u>2017</u> £
CURRENT ASSETS			
Stocks		8,951	8,521
Debtors	7	4,000	3,310
Cash at bank	8	246,705	406,290
TOTAL CURRENT ASSETS		<u>259,656</u>	<u>418,121</u>
CURRENT LIABILITIES			
Creditors: amounts falling due within one year	9	<u>(78,311)</u>	<u>(120,568)</u>
NET CURRENT ASSETS		181,345	297,553
NET ASSETS		<u>£181,345</u>	<u>£297,553</u>
REPRESENTED BY:			
General fund – unrestricted		<u>£181,345</u>	<u>£297,553</u>

Approved by the Trustees on 19th July 2019 and signed on their behalf by:

..... (Trustee)
R.A. Burford

..... (Trustee)
S. Otterburn

The notes on pages 10 to 12 form an integral part of these Accounts

FRIENDS OF EAST SURREY HOSPITAL

NOTES TO THE ACCOUNTS FOR THE

YEAR ENDED 31ST DECEMBER 2018

1. ACCOUNTING POLICIES

Basis of Accounting

The accounts 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 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The trust constitutes a public benefit entity as defined by FRS 102.

The trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern.

Income

Subscriptions, donations and legacies are accounted for when received by the charity. Other income is accounted for on an accruals basis as far as it is prudent to do so. Income includes income tax recoverable.

Gifts in Kind

The Charity receives the benefit of work carried out by volunteers.

Stock

Stock is counted at the year end at selling price. This is adjusted to cost by deducting the average profit margin.

Taxation

As a registered Charity the Association is exempt from Income Tax and Capital Gains Tax but not from VAT.

FRIENDS OF EAST SURREY HOSPITAL

NOTES TO THE ACCOUNTS FOR THE

YEAR ENDED 31ST DECEMBER 2018 (continued)

	<u>2018</u>	<u>2017</u>
	£	£
2. NET INCOME OF TRADING ACTIVITIES		
<u>Shop</u>		
Turnover	329,603	337,000
Cost of sales		
purchases	200,905	209,172
repairs and cleaning	1,332	4,047
	<u>(202,237)</u>	<u>(213,219)</u>
Gross profit	127,366	123,781
Administrative expenses	(8,960)	(7,993)
Bank charges	(1,668)	(1,136)
Operating profit	<u>116,738</u>	<u>114,652</u>
	<u>2018</u>	<u>2017</u>
	£	£
3. INVESTMENT INCOME		
Interest received	<u>201</u>	<u>49</u>
4. DIRECT CHARITABLE EXPENDITURE		
During the period, the cost of items reimbursed and due to the hospital for equipment and other items totalled £231,847 (2017: £142,114).		
5. MANAGEMENT AND ADMINISTRATION OF THE CHARITY	<u>2018</u>	<u>2017</u>
	£	£
Insurance, printing, book-keeping and general admin	<u>6,874</u>	<u>4,166</u>
	<u>2018</u>	<u>2017</u>
	£	£
6. GOVERNANCE COSTS		
Independent examiner's fee	1,400	1,350
AGM costs	175	80
	<u>1,575</u>	<u>1,430</u>

FRIENDS OF EAST SURREY HOSPITAL

NOTES TO THE ACCOUNTS FOR THE

YEAR ENDED 31ST DECEMBER 2018 (continued)

	<u>2018</u>	<u>2017</u>
	£	£
7. DEBTORS		
Gift aid recoverable	250	750
Accrued shop income	3,750	2,560
	<u>4,000</u>	<u>£3,310</u>
8. CASH AT BANK		
Bank current account	55,000	55,070
Bank deposit account	190,853	350,074
Cash in hand	852	1,146
	<u>246,705</u>	<u>406,290</u>
9. CREDITORS: amounts falling due within one year		
Creditors for trading activities	10,485	7,566
VAT	2,732	5,786
Other creditors and accruals	65,094	107,216
	<u>78,311</u>	<u>120,568</u>

10. FUTURE COMMITMENTS

The Friends regularly appraise the requests for capital equipment and other expenditure from the Hospital and the total committed to but not yet invoiced is £64,979.

11. VOLUNTEERS

The Volunteers provide their time freely in support of the charity. It is impractical to provide an estimate of the value of the service that they provide to the charity.

Travel, parking and other expenses of £8,960 were reimbursed to the volunteers during the year.

12. TRUSTEES EXPENSES

During the year the trustees claimed a total of £585 (2017: £818) for expenses incurred by them on behalf of the charity.

13. RELATED PARTY TRANSACTIONS

There are no related party transactions that require disclosure.