

WREXHAM HOSPITAL LEAGUE OF FRIENDS
UNAUDITED
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020



WREXHAM HOSPITAL LEAGUE OF FRIENDS

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WREXHAM HOSPITAL LEAGUE OF FRIENDS

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS PATRONS AND TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 AUGUST 2020

Patrons and Trustees

Lord Thomas of Gresford OBE QC, President
Sir Charles Gladstone, Bt, Hon Vice President
Mr Lloyd Fitzhugh OBE, Hon Vice President
Mr E R Hanmer, Hon Vice President
Mrs J Barnes, Hon Vice President
Mrs B M Bryden, BEM, Chairman
Mrs M Ellis, Committee
Mrs D Evans, Committee
Mrs C T Griffiths, Committee
Mr John Leece Jones, Committee (appointed 16 March 2020)
Mr T Jones, Committee
Mrs G Mostyn, Committee
Mrs M Story, Committee
Mrs S Warner MBE, Committee
Mrs M White, Committee
Mr T M Williams MBE, Vice Chairman

Charity registered number

502242

Principal office

16 Chanticleer Close, Wrexham, Clwyd, LL13 9EQ

Accountants

WR Partners, Belmont House, Shrewsbury Business Park, Shrewsbury, Shropshire, SY2 6LG

Bankers

HSBC PLC, Regent Street, Wrexham

Solicitors

Tudor Williams, Gittins McDonald, 27-29 Grosvenor Road, Wrexham, LL11 1DH

Investment Fund Managers

Quilter Cheviot, 5 St Paul's Square, Liverpool, L3 9 SJ

Tilney, 6 Chesterfield Gardens, Mayfair, London, W1J 5BQ

WREXHAM HOSPITAL LEAGUE OF FRIENDS

**CHAIRMAN'S STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2020**

The chairman presents her statement for the year.

2020 was a terrible year for us as you all will know; located within the hospital our shops had to close in March with staff and volunteers having to stand down. This meant that our main source of funding was lost and of course as time went on a large amount of stock went out of date. We were unable to claim insurance on the loss, as our insurers informed that we weren't covered for Covid 19.

We were unable to raise funds through our planned events which obviously have been shelved this of course will limit the amount of Equipment which we annually provide for use within the Wrexham Maelor Hospital.

I do hope that we will be able to start raising funds soon. but then who knows what the future holds .

I would like to thank Trevor for his continuation to pay any cheques received into the bank during this very unusual time. To Chris our shop Manager and everyone who gave their support thank you and I do hope that it is not too long before we are back in business and we can welcome back our staff and loyal volunteers.

Take care, keep safe.

Sincerely,



.....
Margaret Bryden BEM
Chairman

Date: 19.4.2021

WREXHAM HOSPITAL LEAGUE OF FRIENDS

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2020

The Trustees present their annual report together with the financial statements of the Charity for the year from 1 September 2019 to 31 August 2020.

Objectives and activities

a. Policies and objectives

The Wrexham Hospital League of Friends was established to:

- Raise funds for and provide physical amenities for the benefit of patients at the Wrexham Maelor Hospital; and
- Support the charitable work of the Hospital.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

b. Activities undertaken to achieve objectives

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

The activities of the League potentially benefit all users of the Wrexham Maelor Hospital, through the purchase of additional medical equipment for the hospital's use, through "Radio Maelor" or through the provision of on-site shop facilities. The League is committed to equal access by hospital users to the benefits that it provides.

The Committee are still concerned that, with the uncertainty over future plans of the Betsi Cadwaladr University Local Health Board (BCUHB), equipment purchased under our Objectives may be transferred to other units within the HB, even though these changes may be ongoing over a number of years. The Committee may well decide to add to reserves until the situation is clarified.

c. Grant-making policies

The League invites applications for funding of specific projects within Wrexham Maelor Hospital. These are considered annually by the Equipment Sub-Committee, which makes recommendations to the Executive Committee of funding commitments most worthy of adoption.

WREXHAM HOSPITAL LEAGUE OF FRIENDS

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

Achievements and performance

a. Review of activities

Results for the year 2019/20

The shop income received by the League fell this year to £259,585 (2019: £479,109). Gross margin on shop sales also fell, to 22%.

Donations to the Wrexham Maelor Hospital totalled £260,083 (2019: £260,286). These donations have enabled the purchase of items including:

| | |
|-------------------------------|---------|
| Opthamology | £ 2,600 |
| Neurophysiology | £34,628 |
| Renal Blood Pressure Machines | £18,000 |

During the year incoming resources exceeded expenditure, before donations to the hospital, by £176,321 (2019: £236,942). When donations are taken into account the overall movement of funds before investment gains is a deficit of £83,762. The total funds held by the League at the Balance Sheet date of 31st August 2020 were £3,069,097 (2019: £3,188,770).

b. Investment policy and performance

There are no restrictions on the League's power to invest.

On 24th August 2012 the League received a legacy from the estate of Mrs M Jenkins in the sum of £1,750,000; a further sum of £194,314 was received during the year to 31st August 2012. The committee decided to treat this as a separate designated fund, which is known as the Jenkins Fund. To this end, £1,850,000 was invested during August 2012 with two fund managers with the objective to produce an income stream together with some growth for distribution by the League in future years. This is in accordance with the Statement of Investment Policy, Objectives & Guidelines drawn up for the League under guidance of an Independent Financial Advisor.

The main aim of the Jenkins Fund is to provide as regular and secure an income stream as possible, together with some growth in the fund, in order to secure the future viability of the League, in accordance with its aims and objectives. The Committee consider that these objectives have been achieved by the investment managers during this financial year.

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

WREXHAM HOSPITAL LEAGUE OF FRIENDS

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

b. Reserves policy

The Trustees have reviewed the League's needs for the reserves in line with the guidance issued by the Charity Commission and propose that at least 75% of the League's annual net income, excluding restricted funds, be donated each year for charitable purposes in accordance with accepted procedures, and that any remaining balances be applied either to unforeseen commitments within the same accounting year or added to balances for distribution in the following year in accordance with this policy. Notwithstanding the above policy statement the Trustees reserve the right to accumulate balances exceeding those stated where they formally agree to support a long term project/scheme to which reference will be made in the Annual Report.

Free reserves stand at £296,145 calculated as the unrestricted funds, less the designated funds and the tangible fixed assets.

Designated reserves comprise the Jenkins Fund as noted above. The value of this fund at 31 August 2020 was £2,733,876.

Structure, governance and management

a. Constitution

Wrexham Hospital League of Friends is a registered charity, number 502242, and is constituted under a Trust deed.

b. Methods of appointment or election of Trustees

New Committee members are appointed upon the recommendation of existing members, and serve for a three year term. The League is administered by a large Committee (up to 30 in number) with a very wide range of skills.

All members of the Management Committee give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 13 in the accounts.

c. Organisational structure and decision-making policies

The League is governed by a Committee, which meets every month, through which all the business of the League is carried out. Within the Committee a Chairman, Treasurer and Secretary are appointed. In addition the Committee may delegate powers to specific sub-committees. All actions of the sub-committees will be reported to and confirmed by the Committee.

On 3rd November 2004 the activities of Wrexham's Hospital Broadcasting Service (formerly an independent charity) were merged with those of the League. "Radio Maelor" now operates as a restricted fund within the League, administered by its own sub-committee.

The League is dependent on the contribution and support of volunteers who work in the League shops within the Hospital, raise funds, and work within the Committee. It also employs a paid shop manager, who reports to the Shop's sub-committee and also the Finance & Investment sub-committee.

WREXHAM HOSPITAL LEAGUE OF FRIENDS

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

Structure, governance and management (continued)

d. Policies adopted for the induction and training of Trustees

New members of the Committee are provided with copies of the Charity Commission's leaflet CC3, describing Responsibilities of Charity Trustees.

e. Related party relationships

The League is a member of ATTEND, formerly the National Association of Hospital & Community Friends.

f. Financial risk management

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks. Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects. These procedures are periodically reviewed to ensure that they still meet the needs of the charity.

The Charity like the country, has been hugely impacted by the Covid-19 pandemic, with the hospital shop currently closed in accordance with Government Regulations. The Trustees have assessed the potential impact on the future operations of the charity, taking into account its underlying financial resources and strength. They have taken proactive steps to manage the financial consequences to help ease the impact of the Coronavirus outbreak, including restricting the amount which will be paid out in grants until the position stabilises. The Trustees consider the charity to be well positioned to manage the current situation and secure operations into the future.

Plans for future periods

BCUHB are no longer in special measures by the Welsh Assembly Government.

Our plans for the future have to be carefully scrutinised taking into account the ongoing Covid 19 crisis. The fact that our shops are still closed and no sign from the hospital management as to when we will be able to reopen, which is beyond our control.

It will not be possible to continue with our fundraising in our usual way due to the many restrictions, but we will look into how we can raise funds by other means.

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

WREXHAM HOSPITAL LEAGUE OF FRIENDS

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

Statement of Trustees' responsibilities (CONTINUED)

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year from which give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and 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 order of the members of the board of Trustees and signed on their behalf by:



.....
Mrs B M Bryden

Chairman

Date: 19.4.2021

WREXHAM HOSPITAL LEAGUE OF FRIENDS

**INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 AUGUST 2020**

Independent Examiner's Report to the Trustees of Wrexham Hospital League of Friends ('the Charity')

I report to the charity Trustees on my examination of the accounts of the Charity for the year ended 31 August 2020.

Responsibilities and Basis of Report

As the Trustees of the Charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 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 the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

WREXHAM HOSPITAL LEAGUE OF FRIENDS

INDEPENDENT EXAMINER'S REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

Independent Examiner's Statement

Since the Charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of The Institute of Chartered Accountants in England & Wales, which is one of the listed bodies.

Your attention is drawn to the fact that the Charity has prepared the accounts 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) 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 been withdrawn.

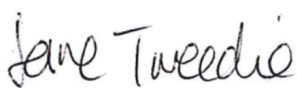
I understand that this has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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 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.

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for my work or for this report.

Signed: 

Dated: 25.5.21

Jane Tweedie

BSc, FCA, DChA

WR Partners
Chartered Accountants
Shrewsbury

WREXHAM HOSPITAL LEAGUE OF FRIENDS

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2020**

| | Note | Restricted funds 2020 £ | Unrestricted funds 2020 £ | Total funds 2020 £ | <i>Total funds 2019 £</i> |
|------------------------------------|------|----------------------------------|------------------------------------|-----------------------------|---------------------------------------|
| Income from: | | | | | |
| Donations and legacies | 4 | - | 119,698 | 119,698 | 31,228 |
| Other trading activities | 5 | 115 | 259,470 | 259,585 | 479,109 |
| Investments | 6 | - | 47,833 | 47,833 | 57,831 |
| Other income | 7 | - | 3,650 | 3,650 | 5,748 |
| Total income | | 115 | 430,651 | 430,766 | 573,916 |
| Expenditure on: | | | | | |
| Raising funds | 8,9 | - | 208,037 | 208,037 | 336,974 |
| Charitable activities | 10 | - | 306,491 | 306,491 | 297,271 |
| Total expenditure | | - | 514,528 | 514,528 | 634,245 |
| Net (losses)/gains on investments | | - | (35,912) | (35,912) | 212,117 |
| Net movement in funds | | 115 | (119,789) | (119,674) | 151,788 |
| Reconciliation of funds: | | | | | |
| Total funds brought forward | | 35,741 | 3,153,030 | 3,188,771 | 3,036,983 |
| Net movement in funds | | 115 | (119,789) | (119,674) | 151,788 |
| Total funds carried forward | | 35,856 | 3,033,241 | 3,069,097 | 3,188,771 |

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 13 to 29 form part of these financial statements.

WREXHAM HOSPITAL LEAGUE OF FRIENDS

**BALANCE SHEET
AS AT 31 AUGUST 2020**

| | Note | 2020 £ | 2019 £ |
|--|------|-------------------------|-------------------------|
| Fixed assets | | | |
| Tangible assets | 14 | 3,220 | 3,836 |
| Investments | 15 | 2,733,876 | 3,051,536 |
| | | <u>2,737,096</u> | <u>3,055,372</u> |
| Current assets | | | |
| Stocks | 16 | 6,131 | 7,995 |
| Debtors | 17 | 596 | - |
| Cash at bank and in hand | | 431,032 | 169,577 |
| | | <u>437,759</u> | <u>177,572</u> |
| Creditors: amounts falling due within one year | 18 | (105,758) | (44,173) |
| | | <u>332,001</u> | <u>133,399</u> |
| Net current assets | | <u>332,001</u> | <u>133,399</u> |
| Total net assets | | <u><u>3,069,097</u></u> | <u><u>3,188,771</u></u> |
| Charity funds | | | |
| Restricted funds | 19 | 35,856 | 35,741 |
| Unrestricted funds | 19 | 3,033,241 | 3,153,030 |
| Total funds | | <u><u>3,069,097</u></u> | <u><u>3,188,771</u></u> |

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

B M Bryden

.....
Mrs B M Bryden

Chairman

Date: 19.4.2021

The notes on pages 13 to 29 form part of these financial statements.

WREXHAM HOSPITAL LEAGUE OF FRIENDS

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2020**

| | 2020 £ | 2019 £ |
|--|------------------|-----------------|
| Cash flows from operating activities | | |
| Net cash used in operating activities | 162,093 | (47,272) |
| | <hr/> | <hr/> |
| Cash flows from investing activities | | |
| Purchase of tangible fixed assets | - | (2,521) |
| Proceeds from sale of investments | - | (695,319) |
| Sale of investments | 876,153 | 666,725 |
| Purchase of investments | (776,791) | - |
| | <hr/> | <hr/> |
| Net cash provided by/(used in) investing activities | 99,362 | (31,115) |
| | <hr/> | <hr/> |
| Change in cash and cash equivalents in the year | 261,455 | (78,387) |
| Cash and cash equivalents at the beginning of the year | 169,577 | 247,964 |
| | <hr/> | <hr/> |
| Cash and cash equivalents at the end of the year | 431,032 | 169,577 |
| | <hr/> <hr/> | <hr/> <hr/> |

The notes on pages 13 to 29 form part of these financial statements

WREXHAM HOSPITAL LEAGUE OF FRIENDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

1. General information

Wrexham Hospital League of Friends is a charity registered in England.

The address of the registered office is given in the charity information on page 1 of these financial statements.

The League was established to raise funds for, and provide physical amenities for the benefit of patients at Wrexham Maelor Hospital, and to support the charitable work of the Hospital.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) 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 the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Wrexham 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.

2.2 Going concern

The financial statements have been prepared on the going concern basis.

2.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Charity, can be reliably measured.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold.

WREXHAM HOSPITAL LEAGUE OF FRIENDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

2. Accounting policies (continued)

2.3 Income (continued)

Where the donated good is a fixed asset, it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset class and depreciated over the useful economic life in accordance with the Charity's accounting policies.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the Charity which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

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

Expenditure on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

WREXHAM HOSPITAL LEAGUE OF FRIENDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

2. Accounting policies (continued)

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets of a capital nature are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following bases:

| | |
|-----------------------|------------------------|
| Property Improvements | - 10% Reducing Balance |
| Fixtures and fittings | - 15% Reducing Balance |
| Office equipment | - 25% Reducing Balance |

2.7 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of financial activities.

2.8 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.9 Debtors

Trade and other debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid.

2.10 Cash at bank and in hand

Cash at bank and 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.

WREXHAM HOSPITAL LEAGUE OF FRIENDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

2. Accounting policies (continued)

2.11 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

2.12 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.13 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

2.14 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

WREXHAM HOSPITAL LEAGUE OF FRIENDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

3. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results.

4. Income from donations and legacies

| | Unrestricted funds 2020 £ | Total funds 2020 £ | <i>Total funds 2019 £</i> |
|-------------------|--|---------------------------------------|---------------------------------------|
| Donations | 16,439 | 16,439 | 23,708 |
| Legacies | 103,259 | 103,259 | 7,520 |
| | <u>119,698</u> | <u>119,698</u> | <u>31,228</u> |
| <i>Total 2019</i> | <u>31,228</u> | <u>31,228</u> | |

5. Income from other trading activities

| | Restricted funds 2020 £ | Unrestricted funds 2020 £ | Total funds 2020 £ | <i>Total funds 2019 £</i> |
|-------------------|--|--|---------------------------------------|---------------------------------------|
| Shop income | 115 | 259,470 | 259,585 | 479,109 |
| | <u>115</u> | <u>259,470</u> | <u>259,585</u> | <u>479,109</u> |
| <i>Total 2019</i> | <u>-</u> | <u>479,109</u> | <u>479,109</u> | |

WREXHAM HOSPITAL LEAGUE OF FRIENDS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

6. Investment income

| | Restricted funds 2020 £ | Unrestricted funds 2020 £ | Total funds 2020 £ | <i>Total funds 2019 £</i> |
|--------------------------------|--|--|---------------------------------------|---------------------------------------|
| Income from quoted investments | - | 41,059 | 41,059 | 57,786 |
| Deposit income | - | 6,774 | 6,774 | 45 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | - | 47,833 | 47,833 | 57,831 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| <i>Total 2019</i> | 45 | 57,786 | 57,831 | |
| | <hr/> | <hr/> | <hr/> | |

7. Other incoming resources

| | Unrestricted funds 2020 £ | Total funds 2020 £ | <i>Total funds 2019 £</i> |
|-------------------------------------|--|---------------------------------------|---------------------------------------|
| Presentation evening and quiz night | 715 | 715 | 305 |
| Helpers evening income | - | - | 227 |
| Tin/shop collection boxes | 2,735 | 2,735 | 3,816 |
| Raffle | 200 | 200 | 730 |
| 100 club | - | - | 670 |
| | <hr/> | <hr/> | <hr/> |
| | 3,650 | 3,650 | 5,748 |
| | <hr/> | <hr/> | <hr/> |
| <i>Total 2019</i> | 5,748 | 5,748 | |
| | <hr/> | <hr/> | |

WREXHAM HOSPITAL LEAGUE OF FRIENDS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

8. Expenditure on raising funds

Costs of raising voluntary income

| | Unrestricted funds 2020 £ | Total funds 2020 £ | <i>Total funds 2019 £</i> |
|-------------------|--|---------------------------------------|---------------------------------------|
| 100 club prizes | 255 | 255 | 440 |
| Fundraising costs | 90 | 90 | 1,698 |
| | 345 | 345 | 2,138 |
| | 2,138 | 2,138 | |
| <i>Total 2019</i> | | | |

Other trading expenses

| | Unrestricted funds 2020 £ | Total funds 2020 £ | <i>Total funds 2019 £</i> |
|------------------------|--|---------------------------------------|---------------------------------------|
| Other trading expenses | 178,229 | 178,229 | 305,643 |
| | 305,643 | 305,643 | |
| | 305,643 | 305,643 | |
| <i>Total 2019</i> | | | |

Included within other trading expenses above is as follows:

| | 2020 £ | <i>2019 £</i> |
|---------------------|-------------------|-------------------|
| Costs of goods sold | 166,999 | 301,257 |
| Other shop expenses | 6,430 | 5,127 |
| | 173,429 | 306,384 |
| | 173,429 | 306,384 |

WREXHAM HOSPITAL LEAGUE OF FRIENDS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

9. Investment management costs

| | Unrestricted funds 2020 £ | Total funds 2020 £ | <i>Total funds 2019 £</i> |
|--------------------------------------|--|---------------------------------------|---------------------------------------|
| Expenditure on investment management | 29,463 | 29,463 | 29,193 |
| | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |
| <i>Total 2019</i> | 29,193 | 29,193 | |
| | <hr/> <hr/> | <hr/> <hr/> | |

10. Analysis of expenditure on charitable activities

Summary by fund type

| | Restricted funds 2020 £ | Unrestricted funds 2020 £ | Total funds 2020 £ | <i>Total funds 2019 £</i> |
|--|--|--|---------------------------------------|---------------------------------------|
| Grants payable | - | 260,083 | 260,083 | 260,286 |
| Radio service, running costs | - | - | - | 189 |
| Wages & salaries | - | 40,232 | 40,232 | 32,240 |
| Depreciation | - | 616 | 616 | 741 |
| Accountancy & independent examination fees | - | 5,560 | 5,560 | 3,815 |
| | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |
| | - | 306,491 | 306,491 | 297,271 |
| | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |
| <i>Total 2019</i> | 189 | 297,082 | 297,271 | |
| | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> | |

WREXHAM HOSPITAL LEAGUE OF FRIENDS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

11. Net income/(expenditure)

This is stated after charging:

| | 2020 | <i>2019</i> |
|--|--------------|--------------|
| | £ | £ |
| Depreciation of tangible fixed assets: - owned by the Charity | 616 | <i>741</i> |
| Independent Examination fees | 2,300 | <i>2,075</i> |
| | 2,916 | <i>2,816</i> |

12. Staff costs

| | 2020 | <i>2019</i> |
|--------------------|---------------|---------------|
| | £ | £ |
| Wages and salaries | 40,232 | <i>32,240</i> |
| | 40,232 | <i>32,240</i> |

The average number of persons employed by the Charity during the year was as follows:

| | 2020 | <i>2019</i> |
|-----------|-------------|-------------|
| | No. | No. |
| Employees | 3 | <i>2</i> |

No employee received remuneration amounting to more than £60,000 in either year.

13. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (*2019 - £NIL*).

During the year ended 31 August 2020, no Trustee expenses have been incurred (*2019 - £NIL*).

WREXHAM HOSPITAL LEAGUE OF FRIENDS

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

14. Tangible fixed assets

| | Freehold property £ | Fixtures and fittings £ | Office equipment £ | Total £ |
|--------------------------|---------------------------|-------------------------------|--------------------------|---------------|
| Cost or valuation | | | | |
| At 1 September 2019 | 10,810 | 10,915 | 6,383 | 28,108 |
| At 31 August 2020 | <u>10,810</u> | <u>10,915</u> | <u>6,383</u> | <u>28,108</u> |
| Depreciation | | | | |
| At 1 September 2019 | 10,810 | 7,497 | 5,965 | 24,272 |
| Charge for the year | - | 512 | 104 | 616 |
| At 31 August 2020 | <u>10,810</u> | <u>8,009</u> | <u>6,069</u> | <u>24,888</u> |
| Net book value | | | | |
| At 31 August 2020 | <u>-</u> | <u>2,906</u> | <u>314</u> | <u>3,220</u> |
| At 31 August 2019 | <u>-</u> | <u>3,418</u> | <u>418</u> | <u>3,836</u> |

15. Fixed asset investments

| | Listed investments £ | Unlisted investments £ | Total £ |
|--------------------------|----------------------------|------------------------------|------------------|
| Cost or valuation | | | |
| At 1 September 2019 | 2,907,140 | 144,394 | 3,051,534 |
| Additions | 776,791 | - | 776,791 |
| Disposals | (965,376) | (93,161) | (1,058,537) |
| Revaluations | (35,912) | - | (35,912) |
| At 31 August 2020 | <u>2,682,643</u> | <u>51,233</u> | <u>2,733,876</u> |
| Net book value | | | |
| At 31 August 2020 | <u>2,682,643</u> | <u>51,233</u> | <u>2,733,876</u> |
| At 31 August 2019 | <u>2,907,140</u> | <u>144,394</u> | <u>3,051,534</u> |

WREXHAM HOSPITAL LEAGUE OF FRIENDS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

15. Fixed asset investments (continued)

Investments at market value comprise:

| | 2020 £ | 2019 £ |
|---------------------------------------|------------------|------------------|
| Listed Investments | 2,682,643 | 2,907,142 |
| Investment cash & settlements pending | 51,233 | 144,394 |
| Total market value | 2,733,876 | 3,051,536 |

The fixed asset investments are worldwide stocks held through UK intermediaries.

16. Stocks

| | 2020 £ | 2019 £ |
|------------------|-----------|-----------|
| Goods for resale | 6,131 | 7,995 |

17. Debtors

| | 2020 £ | 2019 £ |
|----------------------------|------------|-----------|
| Due within one year | | |
| VAT | 501 | - |
| Prepayments | 95 | - |
| | 596 | - |

18. Creditors: Amounts falling due within one year

| | 2020 £ | 2019 £ |
|------------------------------------|----------------|---------------|
| Trade creditors | 103,028 | 32,815 |
| Other taxation and social security | 80 | 6,674 |
| Accruals and deferred income | 2,650 | 4,684 |
| | 105,758 | 44,173 |

WREXHAM HOSPITAL LEAGUE OF FRIENDS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

19. Statement of funds

Statement of funds - current year

| | Balance at 1 September 2019 £ | Income £ | Expenditure £ | Transfers in/out £ | Gains/ (Losses) £ | Balance at 31 August 2020 £ |
|-----------------------------------|--|----------------|------------------|--------------------------|-------------------------|--------------------------------------|
| Unrestricted funds | | | | | | |
| Designated funds | | | | | | |
| Designated Myra Jenkins Legacy | 3,141,437 | 41,059 | (29,463) | (383,245) | (35,912) | 2,733,876 |
| General funds | | | | | | |
| General Funds - all funds | 11,593 | 389,592 | (485,065) | 383,245 | - | 299,365 |
| Total Unrestricted funds | 3,153,030 | 430,651 | (514,528) | - | (35,912) | 3,033,241 |
| Restricted funds | | | | | | |
| Selwyn Hughes Legacy | 20,000 | - | - | - | - | 20,000 |
| Radio Fund | 13,716 | 115 | - | - | - | 13,831 |
| Small Restricted Donations | 2,025 | - | - | - | - | 2,025 |
| | 35,741 | 115 | - | - | - | 35,856 |
| Total of funds | 3,188,771 | 430,766 | (514,528) | - | (35,912) | 3,069,097 |

WREXHAM HOSPITAL LEAGUE OF FRIENDS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

19. Statement of funds (continued)

Statement of funds - prior year

| | <i>Balance at 1 September 2018 £</i> | <i>Income £</i> | <i>Expenditure £</i> | <i>Transfers in/out £</i> | <i>Gains/ (Losses) £</i> | <i>Balance at 31 August 2019 £</i> |
|---------------------------------|--|-----------------------|--------------------------|-----------------------------------|----------------------------------|--|
| Unrestricted funds | | | | | | |
| Designated funds | | | | | | |
| Designated Myra Jenkins legacy | 2,948,923 | 57,831 | (29,193) | - | 163,876 | 3,141,437 |
| General funds | | | | | | |
| General Funds | 52,580 | 516,040 | (604,863) | (405) | 48,241 | 11,593 |
| Total Unrestricted funds | <u>3,001,503</u> | <u>573,871</u> | <u>(634,056)</u> | <u>(405)</u> | <u>212,117</u> | <u>3,153,030</u> |
| Restricted funds | | | | | | |
| Selwyn Hughes Legacy | 20,000 | - | - | - | - | 20,000 |
| Radio Fund | 13,455 | 45 | (189) | 405 | - | 13,716 |
| Small Restricted Donations | 2,025 | - | - | - | - | 2,025 |
| | <u>35,480</u> | <u>45</u> | <u>(189)</u> | <u>405</u> | <u>-</u> | <u>35,741</u> |
| Total of funds | <u><u>3,036,983</u></u> | <u><u>573,916</u></u> | <u><u>(634,245)</u></u> | <u><u>-</u></u> | <u><u>212,117</u></u> | <u><u>3,188,771</u></u> |

WREXHAM HOSPITAL LEAGUE OF FRIENDS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

20. Statement of funds - continued

Funds from the Selwyn Hughes Legacy were received by the League in 1985. Interest from the invested sum was to be used annually and specifically in respect of medicine for the elderly.

On 3rd November 2004 the activities of Wrexham's Hospital Broadcasting Service (formerly an independent charity) were merged with those of the League. This now operates as a restricted fund, administered by its own sub-committee.

On 24th August 2012 the League received a legacy from the estate of Mrs M Jenkins in the sum of £1,750,000; a further sum of £194,314 was received during the year to 31st August 2012. The Committee have decided to treat this as a separate designated fund, which is known as the Jenkins Fund. To this end, £1,850,000 was invested during August 2012 with two fund managers with the objective to produce an income stream together with some growth for distribution by the League in future years. A transfer has been made so that the balance in the fund agrees to the value of the investments.

With effect from the 2017 accounts, it has been decided to gather donations received that are for specific purposes into a separate restricted fund.

WREXHAM HOSPITAL LEAGUE OF FRIENDS

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

21. Analysis of net assets between funds

Analysis of net assets between funds - current period

| | Restricted funds 2020 £ | Unrestricted funds 2020 £ | Total funds 2020 £ |
|-------------------------------|----------------------------------|------------------------------------|-----------------------------|
| Tangible fixed assets | - | 3,220 | 3,220 |
| Fixed asset investments | - | 2,733,876 | 2,733,876 |
| Current assets | 35,856 | 401,903 | 437,759 |
| Creditors due within one year | - | (105,758) | (105,758) |
| Total | 35,856 | 3,033,241 | 3,069,097 |

Analysis of net assets between funds - prior period

| | Restricted funds 2019 £ | Unrestricted funds 2019 £ | Total funds 2019 £ |
|-------------------------------|----------------------------------|------------------------------------|-----------------------------|
| Tangible fixed assets | - | 3,836 | 3,836 |
| Fixed asset investments | 20,000 | 3,031,536 | 3,051,536 |
| Current assets | 15,741 | 161,831 | 177,572 |
| Creditors due within one year | - | (44,173) | (44,173) |
| Total | 35,741 | 3,153,030 | 3,188,771 |

WREXHAM HOSPITAL LEAGUE OF FRIENDS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

22. Reconciliation of net movement in funds to net cash flow from operating activities

| | 2020 | 2019 |
|--|------------------|------------------|
| | £ | £ |
| Net income/expenditure for the period (as per Statement of Financial Activities) | (119,674) | 151,788 |
| Adjustments for: | | |
| Depreciation charges | 616 | 741 |
| Decrease/(increase) in stocks | 1,864 | (632) |
| Decrease/(increase) in debtors | (596) | - |
| Increase in creditors | 61,585 | 12,948 |
| Revaluations | 218,298 | (212,117) |
| Net cash provided by/(used in) operating activities | 162,093 | (47,272) |

23. Analysis of cash and cash equivalents

| | 2020 | 2019 |
|--|----------------|----------------|
| | £ | £ |
| Cash in hand | 431,032 | 169,577 |
| Total cash and cash equivalents | 431,032 | 169,577 |

24. Analysis of changes in net debt

| | At 1 September 2019 | Cash flows | At 31 August 2020 |
|--------------------------|------------------------------------|-------------------|----------------------------------|
| | £ | £ | £ |
| Cash at bank and in hand | 169,577 | 261,455 | 431,032 |
| | 169,577 | 261,455 | 431,032 |

WREXHAM HOSPITAL LEAGUE OF FRIENDS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

25. Related party transactions

The Charity has not entered into any related party transaction during the year, nor are there any outstanding balances owing between related parties and the Charity at 31 August 2020.