

Charity registration number 701458

HOLBEACH AND EAST ELLOE HOSPITAL TRUST
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

HOLBEACH AND EAST ELLOE HOSPITAL TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Patron	Lord Taylor of Holbeach CBE	
Trustees acting as Management Committee	Lady J Taylor Miss T Carter Rev S Angus Mr B Earnshaw Mr M Harrison Mr J Dalton Mr P Johnson Mrs K Wing Mr C J Penney Mrs H Aedy Mrs S Inns Mrs E Walmsley	(Appointed 15 September 2023) (Appointed 15 September 2023) (Appointed 15 September 2023)
Senior management	Mrs J Scott Mrs R Atkinson Mrs R Griffin	Manager Business Support Manager Clinical Lead
Charity number	701458	
Registered office	Holbeach Hospital Boston Road North Spalding Lincs PE12 8AQ	
Auditor	TC Group 1-4 London Road Spalding Lincolnshire PE11 2TA	
Bankers	Lloyds Bank plc Hall Place Spalding Lincolnshire PE11 1SE	

HOLBEACH AND EAST ELLOE HOSPITAL TRUST

CONTENTS

	Page
Trustees' report	1 - 4
Statement of trustees' responsibilities	5
Independent auditor's report	6 - 8
Statement of financial activities	9
Balance sheet	10
Statement of cash flows	11
Notes to the financial statements	12 - 28

HOLBEACH AND EAST ELLOE HOSPITAL TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2024

The trustees present their annual report and financial statements for the year ended 31 March 2024.

Objectives and activities

The objectives of the Trust are relief, care and assistance of persons irrespective of colour, race or creed, suffering from any form of sickness or incapacity and the advancements of education, provision of facilities in the interests of social welfare for recreation and leisure time occupation for the benefit of the community and in particular, but without prejudice, to the generality of the foregoing with the object of improving the condition of life of the inhabitants of the area formerly comprised in the East Elloe Rural District and the surrounding neighbourhood.

The Trustees are highly conscious of the need to provide the best public benefit by constantly reviewing and improving standards and this is undertaken in a number of ways.

- Fee increases are kept to an absolute minimum in order to allow the nursing home to be used by the widest demographic
- The nursing home has at its heart the care and needs of its residents irrespective of colour, race, creed or wealth
- In the current year a percentage of available beds has been occupied by self-funding residents

Achievements and performance

Significant activities and achievements against objectives

During the year under review the Trust continues to work towards its objectives by the continuing provision of Nursing Home facilities to the residents of Holbeach and East Elloe and the provision of services to the National Health Service, Lincolnshire County Council, other Local Authorities and Private Funders.

Our Activities Coordinators continue to provide activities and enrichment for the residents of Holbeach Hospital. Resident welfare is enhanced by trips into the local community and further afield with visiting entertainers and pastoral outreach from the local churches coming to the Nursing Home.

To keep the hospital fit for purpose, a programme of refurbishment continues on a rolling basis.

General Data Protection Regulations (GDPR) that became law in April 2016 came into force on 25th May 2018. It governed the security of all types of data held under all formats and their location. The Trust is required to ensure express, rather than implied, permissions are obtained and to inform when any data held will be destroyed in accordance with the policies and procedures. These policies and procedures also define how an individual can request to see their data, request to be "forgotten" and what happens should a breach of security occur including a cyber breach.

Our digital data is continually being stored and encrypted and manual data held securely. The Trust has included cyber insurance as an add-on package to our general insurance should a breach occur. The Trust continues to monitor and audit its obligations under the Act.

Financial review

During the year, the Trust raised £2,280,944 from the National Health Service, Local Government, other agencies, self-funders and the general public to its aims mentioned earlier. The Trust used £2,459,433 in the current year. There was a deficit in investments in the year of £2,961 which overall has led to a deficit in resources of £181,360. This has meant the Trust has decreased its total reserves to £2,799,207. Of this total figure £937,926 relates to restricted reserves leaving £1,861,281 attributable to general reserves.

HOLBEACH AND EAST ELLOE HOSPITAL TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Plans for future periods

The primary aim of the Trustees, as it always has been is to try to ensure that the Trust continues to operate as a going concern so as to be able to deliver its stated charitable objectives. To be able to do so the Trust has needed to adopt a flexible approach to how it operates and during the year has decided to introduce a digitalised system of record keeping etc. There has been pressure from our corporate clients to introduce such a system for some time and the findings of the CQC inspection that occurred during the year was the catalyst for change. The new software and supporting hardware have been installed and the system went live at the beginning of September.

The Trust continues to have a contract with the NHS to provide 6 beds for use by the local GP's, and the local acute medical facilities. Additionally, the Trust have a contract with the local authority to provide 6 Re-ablement beds, this number was increased by 8 for the period between January and March of 2023, and the Trust recently tendered for a contract to have an additional 10 such beds on an annual basis. This would have brought a degree of financial security, but we were unsuccessful in our bid due to not being able to accommodate patients with dementia and Alzheimer's. This has prompted the Trustees to open up a debate about adapting facilities to be able to accommodate such patients

The majority of the other beds are purchased on a spot basis by local authorities and health authorities, often for the care of patients at the end of life. The Trust continues to push all those it contracts with for contracts of a longer period than 12 months and for a fee level commensurate with the increasing costs the Trust is facing. As in previous years the Trust continue to seek for the NHS to contract purchase more than the 6 beds it currently does so as to allow more persons to either avoid being admitted to an acute facility or to be discharged earlier thus avoiding the bed blocking we continually hear about.

During the later part of 2022 the Trust were informed that they were to be the beneficiaries of a substantial legacy which totalled £629,847 and has now been completed.

Prior to being aware of this legacy the front reception area had been remodelled to make it more welcoming and those who have seen and used it have made positive comments about the improvement.

With the financial security the afore mentioned legacy will bring the Trustees, acknowledging that certain parts of the estate are looking very tired, have embarked on a scheme to upgrade the remainder of the main corridor and dayroom 1. Additionally, and mainly due to the increased cost of energy, the Trustees have made a planning application for the installation of a range of solar panels on the field adjacent to the hospital which was once the site of the onsite sewage works. Planning permission was applied for in October 2023 and initial quotes have been received with discussions ongoing with the National Grid for capacity approval.

Alongside these major works an ongoing programme of room refurbishment continues.

Structure, governance and management

Governing Document

The Trust is governed by an "association" Charity Incorporated Organisation constitution adopted on 6 September 2019 but was originally registered with the Charity Commission in England and Wales on 20 April 1989. On 11 June 2020, the charity converted from a company limited by guarantee.

HOLBEACH AND EAST ELLOE HOSPITAL TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Appointment of Trustees

The Trustees who have served during the year and since the year end are set out on page 1. The Board of Trustees have the general control and management of the administration of the Trust. Prospective Trustees are nominated before appointment and, after serving as a Member, are then eligible for nomination and appointment to the Board of Trustees Council of Management as a Trustee.

Trustee Induction and Training

New Trustees undergo orientation sessions which include observation at a Council of Management Meeting prior to becoming a Trustee, visiting the Registered Office of the Trust to familiarise themselves in the way the organisation carries out its day-to-day duties and implements decisions. Business planning, the Constitution and Financial Performance are also covered. Trustees are encouraged to attend external training events which assist them in undertaking their role.

Organisation

The constitution states the composition of the Board of Trustees. A Manager is appointed by the Trustees to manage the day-to-day operations of the Trust. The Trustees have examined the major 4 strategic business and operational risks which the Trust faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks.

Trustees and volunteers

The Trust acknowledges the valuable assistance of the many volunteers who give freely their time to help the older generation, ranging from help with practical jobs, driving the minibus, and bereavement counselling.

The Trust acknowledges the Holbeach & East Elloe Hospital League of Friends whose continued support enhances the charity's work in the care of the residents. The League of Friends charity shop continues to thrive and is a real asset to the Trust as they help fund the purchase of a variety of equipment, furnishings and accessories that benefit the residents and aid the Trust in providing the high standard of care they deserve.

Reserves Policy

It is the policy of the Trust to maintain unrestricted funds, which are free reserves (funds not committed or invested in tangible fixed assets) of the Trust at a level of between 3 and 6 months of resources expended. At this level, the Council of Management feel that they would be able to continue the current activities of the charity, in the event of a significant drop in funding. The Trustees are constantly investigating various funding sources to safeguard the activities of the Trust.

During the year, previously held investments have been converted to cash. There are no longer any investments held at the year end.

HOLBEACH AND EAST ELLOE HOSPITAL TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

The trustees' report was approved by the Board of Trustees.



Mr C J Penney
Chairman of Trustees

Date: 20th September 2024

HOLBEACH AND EAST ELLOE HOSPITAL TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2024

The trustees are responsible for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accepted Accounting Practice. Law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year. In preparing those financial statements, the trustees are required to:

- a) select suitable accounting policies and then apply them consistently
- b) observe the methods and principles in the Charities Statement of Recommended Practice 2019 (FRS 102)
- c) state whether applicable accounting standards have been followed subject to any departures disclosed and explained in the financial statements: and
- d) 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 accounting records which 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 Charities Act (Accounts and Reports) Regulations 2008 and the provisions of the trust deed.

A resolution proposing TC Bulley Davey be re-appointed as auditors will be put to the Annual General Meeting.

HOLBEACH AND EAST ELLOE HOSPITAL TRUST

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF HOLBEACH AND EAST ELLOE HOSPITAL TRUST

Opinion

We have audited the financial statements of Holbeach and East Elloe Hospital Trust (the 'trust') for the year ended 31 March 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2024 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

HOLBEACH AND EAST ELLOE HOSPITAL TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF HOLBEACH AND EAST ELLOE HOSPITAL TRUST

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Other matters

Your attention is drawn to the fact that the charity has prepared financial statements 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)" (as amended) 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.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

HOLBEACH AND EAST ELLOE HOSPITAL TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF HOLBEACH AND EAST ELLOE HOSPITAL TRUST

Use of our report

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

TC Group

Josh Rowbottom (Senior Statutory Auditor)
for and on behalf of TC Group

28/10/2024
.....

Chartered Accountants
Statutory Auditor

1-4 London Road
Spalding
Lincolnshire
PE11 2TA

TC Group is eligible for appointment as auditor of the trust by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

HOLBEACH AND EAST ELLOE HOSPITAL TRUST

STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2024

		Unrestricted funds 2024	Restricted funds 2024	Total 2024	Unrestricted funds 2023	Restricted funds 2023	Total 2023
	Notes	£	£	£	£	£	£
Income from:							
Donations and legacies	3	81,750	-	81,750	804,246	-	804,246
Charitable activities	4	2,152,339	-	2,152,339	2,012,189	-	2,012,189
Other trading activities	5	35,635	-	35,635	22,026	-	22,026
Investments	6	11,220	-	11,220	2,217	-	2,217
Total income		2,280,944	-	2,280,944	2,840,678	-	2,840,678
Expenditure on:							
Charitable activities	7	2,423,545	35,798	2,459,343	2,183,033	39,910	2,222,943
Total expenditure		2,423,545	35,798	2,459,343	2,183,033	39,910	2,222,943
Net gains/(losses) on investments	11	(2,961)	-	(2,961)	(12,124)	-	(12,124)
Net income/(expenditure)		(145,562)	(35,798)	(181,360)	645,521	(39,910)	605,611
Transfers between funds		-	-	-	7,359	(7,359)	-
Net movement in funds	8	(145,562)	(35,798)	(181,360)	652,880	(47,269)	605,611
Reconciliation of funds:							
Fund balances at 1 April 2023		2,006,843	973,724	2,980,567	1,353,963	1,020,993	2,374,956
Fund balances at 31 March 2024		1,861,281	937,926	2,799,207	2,006,843	973,724	2,980,567

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.


HOLBEACH AND EAST ELLOE HOSPITAL TRUST

BALANCE SHEET

AS AT 31 MARCH 2024

	Notes	2024		2023	
		£	£	£	£
Fixed assets					
Tangible assets	13		1,708,015		1,719,320
Investments	14		-		144,453
			<u>1,708,015</u>		<u>1,863,773</u>
Current assets					
Stocks	15	9,866		17,491	
Debtors	16	224,741		814,156	
Cash at bank and in hand		978,361		402,933	
		<u>1,212,968</u>		<u>1,234,580</u>	
Creditors: amounts falling due within one year	18	(121,776)		(117,786)	
Net current assets			<u>1,091,192</u>		<u>1,116,794</u>
Total assets less current liabilities			<u>2,799,207</u>		<u>2,980,567</u>
Net assets excluding pension liability			<u>2,799,207</u>		<u>2,980,567</u>
The funds of the trust					
Restricted income funds	20		937,926		973,724
Unrestricted funds			1,861,281		2,006,843
			<u>2,799,207</u>		<u>2,980,567</u>

The financial statements were approved by the trustees on 20th September 2024



Mr C J Penney
Chairman of Trustees

HOLBEACH AND EAST ELLOE HOSPITAL TRUST**STATEMENT OF CASH FLOWS****FOR THE YEAR ENDED 31 MARCH 2024**

		2024		2023	
	Notes	£	£	£	£
Cash flows from operating activities					
Cash generated from operations	26		540,346		72,283
Investing activities					
Purchase of tangible fixed assets		(112,160)		(140,399)	
Proceeds from disposal of investments		141,492		-	
Investment income received		11,220		902	
Net cash generated from/(used in) investing activities					
			40,552		(139,497)
Net cash used in financing activities					
			-		-
Net increase/(decrease) in cash and cash equivalents					
			580,898		(67,214)
Cash and cash equivalents at beginning of year			379,348		446,562
Cash and cash equivalents at end of year					
			960,246		379,348
Relating to:					
Cash at bank and in hand			978,361		402,933
Bank overdrafts included in creditors payable within one year			(18,115)		(23,585)

HOLBEACH AND EAST ELLOE HOSPITAL TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

Charity information

Holbeach & East Elloe Hospital Trust is a Charitable Incorporated Organisation. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £5 per member of the charity. The nature of the charity's operations and principal activities are primarily palliative care including the provision of medical care and treatment, nursing and residential care to the people of the local area.

1.1 Accounting convention

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Financial Reporting Standards applicable to the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

Holbeach and East Elloe Hospital Trust constitutes a public benefit entity as defined by FRS 102. Assets and liabilities are initially recognised at historical cost unless otherwise stated in the relevant accounting policy note(s). The financial statements are presented in sterling which is the functional currency of the charity.

1.2 Going concern

The trustees are of the opinion that the charity is a going concern and the financial statements have been prepared upon that basis. The trustees have considered the level of funds held and the expected level of income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern. However, it should be noted that the relevant Government bodies will only award annual contracts. The trustees have no reason to expect that these contracts will not be renewed annually.

1.3 Definition of Funds

Unrestricted General Funds are those available for use at the discretion of the Trustees in the furtherance of the objects of the charity and which have not been designated for other purposes.

Designated Funds are unrestricted funds earmarked 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 cost 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.

Endowment Funds represent those assets which must be held permanently by the charity. Income arising on the endowment funds can be used in accordance with the objects of the charity and is included as unrestricted income. Any capital gains or losses arising on the investments form part of the fund. Investment management charges and legal advice relating to the fund are charged against the fund.

Restricted funds are subject to specific conditions by donors or grantors 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.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the trust.

HOLBEACH AND EAST ELLOE HOSPITAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

1.4 Income

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. For example the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

Where practicable, gifts in kind donated for distribution to the beneficiaries of the charity are included in stock and donations in the financial statements upon receipt. If it is impracticable to assess the fair value at receipt or if the costs to undertake such a valuation outweigh any benefits, then the fair value is recognised as a component of donations when it is distributed and an equivalent amount recognised as charitable expenditure.

Fixed asset gifts in kind are recognised when receivable and are included at fair value. They are not deferred over the life of the asset.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

The charity receives government grants in respect of the charitable activities it carries out, namely the provision of care in conjunction with the NHS. Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend and rent income is recognised as the charity's right to receive payment is established.

HOLBEACH AND EAST ELLOE HOSPITAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is included on an accruals basis, and has been classified under operational headings which reflect the general organisation of the charity. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

Costs of generating funds includes all expenditure incurred in generating income for use by the charity.

Fundraising costs includes expenditure relating to raising the profile of the charity and fundraising activities.

Charitable activities include the costs of the activities defined by the charity's aims for the benefit of the persons sited in the charity objects. Costs of charitable activities includes the direct costs of the activities and depreciation on related assets. Where such assets relate to more than one functional cost category, they have been allocated on either an estimate time or floor space basis, as appropriate.

Resources expended are allocated to the particular activity where the costs relates directly to that activity. Staff are allocated to a particular activity, but where they spend time on an alternative activity, their cost is time apportioned.

Support costs comprises of costs for the running of the charity itself as an organisation and are allocated between the activities of the charity on the same basis as described above.

Governance costs include the costs of governance arrangements which relate to the general running of the Charity as opposed to the direct management functions inherent in generating funds. These activities provide the governance infrastructure which allow the Charity to operate and to generate the information required for public accountability. They also include the strategic planning processes that contribute to the development of the Charity.

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:

Freehold property	4% per annum reducing balance
Land	NIL
Security Equipment	10% per annum straight line
Fixtures and fittings	20% per annum straight line
Office Equipment	20% per annum straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

HOLBEACH AND EAST ELLOE HOSPITAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

1.7 Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains / losses on investments' in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably. Current asset investments are short term highly liquid investments and are held at fair value. These include cash on deposit and cash equivalents with a maturity of less than one year. Other investments are measured at cost less impairment.

1.8 Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit and loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

1.9 Stocks

Stocks are valued at the lower of cost or net realisable value.

1.10 Taxation

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charity for UK corporation tax purposes.

1.11 Provisions

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

1.12 Employee benefits

When employees have rendered service to the charity, short term employee benefits to which the employees are entitled, are recognised at the undiscounted amount expected to be paid for those services.

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.14 Leases

Rental costs under operating leases are charged to the Statement of Financial Activities on a straight line basis over the term of the lease.

HOLBEACH AND EAST ELLOE HOSPITAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

1.15 Judgements and Key Sources of Estimation Uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The following judgements and estimates have been made in the process of applying the above accounting policies that have had the most significant effect on amounts recognised in the financial statements:

Tangible fixed assets - In order to calculate depreciation an estimation must be made of the useful economic life of each asset along with an estimate of the value of the asset at the end of that time based on prices prevailing at the balance sheet date. Details of this item is included within the accounting policies below.

1.16 Value Added Tax

Currently, Value Added Tax is not recoverable by the Charity and as such is included in the relevant costs in the Statement of Financial Activities.

1.17 Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

2 Critical accounting estimates and judgements

In the application of the trust'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 Income from donations and legacies

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Donations and gifts	73,313	46,120
Legacies receivable	8,437	749,344
Grants received	-	8,782
	<u>81,750</u>	<u>804,246</u>

HOLBEACH AND EAST ELLOE HOSPITAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

3 Income from donations and legacies **(Continued)**

In September 2023 and March 2024 a total of £629,437 was received from the late J Stupple. £621,000 of this legacy was recognised in the 2023 financial statements with the remaining £8,437 recognised in the 2024 financial statements.

4 Income from charitable activities

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Fees received - Nursing Home	1,896,451	1,760,825
Fees received - GP Beds	255,888	251,364
	<u>2,152,339</u>	<u>2,012,189</u>

5 Income from other trading activities

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Fundraising events	1,326	385
Other Income	1,938	2,802
Renewable Heat Incentive (RHI)	32,371	18,839
	<u>35,635</u>	<u>22,026</u>

6 Income from investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Dividends	755	655
Interest receivable	10,465	1,562
	<u>11,220</u>	<u>2,217</u>

HOLBEACH AND EAST ELLOE HOSPITAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

	2024	2024	2023	2023
	£	£	£	£
7 Expenditure on charitable activities				
Staff costs	1,824,797	1,824,797	1,650,805	1,650,805
Depreciation and impairment	123,465	123,465	116,479	116,479
Agency Staff	58,736	58,736	-	-
Recruitment	9,252	9,252	-	-
Exceptional Staff Costs	15,000	15,000	-	-
Cost of Uniforms	4,690	4,690	3,172	3,172
Course fees	3,454	3,454	3,946	3,946
Travel expenses	1,041	1,041	389	389
Rates	10,151	10,151	8,385	8,385
Insurances	36,345	36,345	23,038	23,038
Lighting and heating (as adjusted by stocks)	49,421	49,421	100,723	100,723
Telephone expenses	3,516	3,516	3,288	3,288
Stationery, postage, printing and advertising (as adjusted by stocks)	9,142	9,142	4,754	4,754
Repairs and Maintenance	58,964	58,964	47,697	47,697
Equipment Hire	21,832	21,832	24,023	24,023
Other Costs	3,025	3,025	1,429	1,429
Consumables (as adjusted by stocks)	72,975	72,975	68,287	68,287
Food (as adjusted by stocks)	72,028	72,028	61,523	61,523
Registration fees	3,224	3,224	7,289	7,289
Clinical Waste Disposal costs	15,179	15,179	11,582	11,582
Minor Improvement Works	-	-	38,700	38,700
Subscription and Sundry Expenses	6,216	6,216	5,189	5,189
Computer Expenses	14,613	14,613	7,436	7,436
Minibus Expenses	1,530	1,530	2,126	2,126

HOLBEACH AND EAST ELLOE HOSPITAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

7 · Expenditure on charitable activities				(Continued)
Audit fees	10,000		10,000	9,660
Accountancy and payroll fees	11,828		11,828	9,780
Consultancy fees	4,908		4,908	3,904
Professional fees	12,238		12,238	6,807
Bank charges	1,773		1,773	2,532
	<u>2,459,343</u>		<u>2,459,343</u>	<u>2,222,943</u>
Analysis by fund				
Unrestricted funds	2,423,545		2,423,545	2,183,033
Restricted funds	35,798		35,798	39,910
	<u>2,459,343</u>		<u>2,459,343</u>	<u>2,222,943</u>

HOLBEACH AND EAST ELLOE HOSPITAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

7 Expenditure on charitable activities **(Continued)**

Included within charitable activities are investment managers' fees amounting to Nil (2023 - £1,462)

8 Net movement in funds	2024	2023
	£	£
The net movement in funds is stated after charging/(crediting):		
Depreciation of owned tangible fixed assets	123,465	116,479

9 Trustees

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

10 Employees

The average monthly number of employees during the year was:

	2024	2023
	Number	Number
Key management personnel	3	2
Administrative	3	2
Hospital Services	88	89
Total	94	93

Employment costs	2024	2023
	£	£
Wages and salaries	1,673,882	1,513,767
Social security costs	115,725	106,071
Other pension costs	35,190	30,967
	1,824,797	1,650,805

There were no employees whose annual remuneration was more than £60,000.

HOLBEACH AND EAST ELLOE HOSPITAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

10 Employees **(Continued)**

Remuneration of key management personnel

The remuneration of key management personnel was as follows:

	2024	2023
	£	£
Aggregate compensation	147,011	115,025

11 Gains and losses on investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Gains/(losses) arising on:		
Sale of investments	(2,961)	(12,124)

12 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

HOLBEACH AND EAST ELLOE HOSPITAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

13 Tangible fixed assets	Freehold property	Land	Assets under construction	Security Equipment	Furniture and Office fittings	Office Equipment	Total
Cost							
At 1 April 2023	2,474,000	4,199	72,709	15,561	673,126	62,441	3,302,036
Additions	33,159	-	-	-	79,009	-	112,168
At 31 March 2024	2,507,159	4,199	72,709	15,561	752,135	62,441	3,414,204
Depreciation and impairment							
At 1 April 2023	969,730	-	-	15,532	558,961	38,501	1,582,724
Depreciation charged in the year	61,495	-	-	29	55,582	6,359	123,465
At 31 March 2024	1,031,225	-	-	15,561	614,543	44,860	1,706,189
Carrying amount							
At 31 March 2024	1,475,934	4,199	72,709	-	137,592	17,581	1,708,015
At 31 March 2023	1,504,279	4,199	72,709	29	114,165	23,939	1,719,320

HOLBEACH AND EAST ELLOE HOSPITAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

14 Fixed asset investments

	Listed investments £	Cash investments £	Total £
Cost or valuation			
At 1 April 2023	121,984	22,469	144,453
Disposals	(121,984)	(22,469)	(144,453)
	<u> </u>	<u> </u>	<u> </u>
At 31 March 2024	-	-	-
	<u> </u>	<u> </u>	<u> </u>
Carrying amount			
At 31 March 2024	-	-	-
	<u> </u>	<u> </u>	<u> </u>
At 31 March 2023	121,984	22,469	144,453
	<u> </u>	<u> </u>	<u> </u>

15 Stocks

	2024 £	2023 £
Stock of Food	2,226	1,913
Stock of Consumables	3,098	6,653
Stock of Stationery	1,854	4,022
Stock of Heating Oil	2,689	4,903
	<u> </u>	<u> </u>
	9,866	17,491
	<u> </u>	<u> </u>

16 Debtors

	2024 £	2023 £
Amounts falling due within one year:		
Trade debtors	157,678	143,864
Accrued income debtor	41,544	644,977
Prepayments and accrued income	25,519	25,315
	<u> </u>	<u> </u>
	224,741	814,156
	<u> </u>	<u> </u>

HOLBEACH AND EAST ELLOE HOSPITAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

17	Loans and overdrafts		2024	2023
			£	£
	Bank overdrafts		18,115	23,585
	Payable within one year		18,115	23,585
			<u>18,115</u>	<u>23,585</u>
18	Creditors: amounts falling due within one year		2024	2023
		Notes	£	£
	Bank overdrafts	17	18,115	23,585
	Other taxation and social security		24,876	28,479
	Trade creditors		55,399	20,239
	Other creditors		8,683	17,807
	Accruals and deferred income		14,703	27,676
			<u>121,776</u>	<u>117,786</u>
19	Pensions and other post-retirement benefits		2024	2023
			£	£
	Charge to profit or loss in respect of defined contribution schemes		35,190	30,967
			<u>35,190</u>	<u>30,967</u>

The charity operates a defined contribution pension plan for its employees. The amount recognised as an expense in the period was £35,190 (2023 £30,967). There are defined contribution liabilities amounting to £8,292 (2023 £7,997) allocated to Charitable activities.

HOLBEACH AND EAST ELLOE HOSPITAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

20 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 April 2023	Incoming resources	Resources expended	Transfers	Gains and losses	At 31 March 2024
	£	£	£	£	£	£
League of Friends						
Equipment fund	70,444	-	(4,265)	-	-	66,179
Buildings fund	778,446	-	(23,567)	-	-	754,879
Equipment fund	75,414	-	(6,744)	-	-	68,670
Grounds and Garden fund	25,017	-	(1,003)	-	-	24,014
Staff and Patient Care	24,403	-	(219)	-	-	24,184
	<u>973,724</u>	<u>-</u>	<u>(35,798)</u>	<u>-</u>	<u>-</u>	<u>937,926</u>

The League of Friends Equipment Fund is to be used for the purchase of equipment as required in the Hospital. In the event of an unused surplus, this should be returned to the donor.

The Buildings Fund is designed to encompass all funds associated with the purchase and renovation of buildings. In the event of a deficit, this is to be met by unrestricted funds. In the event of an unused surplus, this should be returned to the donor.

The Equipment Fund is designed to encompass all funds relating to equipment purchased and used in the hospital. In the event of a deficit, this is to be met by unrestricted funds. In the event of an unused surplus, this should be returned to the donor.

The Grounds and Garden Fund is designed to encompass all funds related to the maintenance of the grounds and garden. In the event of a deficit, this is to be met by unrestricted funds. In the event of an unused surplus, this should be returned to the donor.

The Staff and Patient Care Fund is designed to encompass all funds related to staff and patient care. In the event of a deficit, this is to be met by unrestricted funds. In the event of an unused surplus, this should be returned to the donor.

HOLBEACH AND EAST ELLOE HOSPITAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

21 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 April 2023	Incoming resources	Resources expended	Transfers	Gains and losses	At 31 March 2024
	£	£	£	£	£	£
Hobbies Lounge	29,110	-	-	-	-	29,110
General funds	1,977,733	2,280,944	(2,423,545)	-	(2,961)	1,832,171
	<u>2,006,843</u>	<u>2,280,944</u>	<u>(2,423,545)</u>	<u>-</u>	<u>(2,961)</u>	<u>1,861,281</u>
Previous year:	At 1 April 2022	Incoming resources	Resources expended	Transfers	Gains and losses	At 31 March 2023
	£	£	£	£	£	£
Hobbies Lounge	29,110	-	-	-	-	29,110
General funds	1,324,853	2,840,678	(2,183,033)	7,359	(12,124)	1,977,733
	<u>1,353,963</u>	<u>2,840,678</u>	<u>(2,183,033)</u>	<u>7,359</u>	<u>(12,124)</u>	<u>2,006,843</u>

Hobbies Lounge fund

This fund is to be used to convert Day Room 2 into a bespoke Hobbies Lounge for the residents and patients. In the event of an unused surplus, the Trustees will redesignate the remaining funds to a future project.

22 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total
	2024	2024	2024
	£	£	£
At 31 March 2024:			
Tangible assets	989,379	718,636	1,708,015
Debtors: Amounts falling due within one year	224,741	-	224,741
Cash at Bank and in Hand	759,071	219,290	978,361
Stocks	9,867	-	9,867
Other Creditors	(121,777)	-	(121,777)
	<u>1,861,281</u>	<u>937,926</u>	<u>2,799,207</u>

HOLBEACH AND EAST ELLOE HOSPITAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

22 Analysis of net assets between funds (Continued)

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
At 31 March 2023:			
Tangible assets	964,886	754,434	1,719,320
Investments	144,453	-	144,453
Debtors: Amounts falling due within one year	814,156	-	814,156
Cash at Bank and in Hand	160,058	219,290	379,348
Stocks	17,491	-	17,491
Other Creditors	(94,201)	-	(94,201)
	<u>2,006,843</u>	<u>973,724</u>	<u>2,980,567</u>

23 Operating lease commitments

Lessee

At 31st March the charity had total future minimum lease payments under non-cancellable operating leases as set out below:-

	2024 £	2023 £
Within one year	15,970	19,724
Between two and five years	12,453	26,398
	<u>28,423</u>	<u>46,122</u>

24 Related party transactions

There were no disclosable related party transactions during the year (2023 - none).

25 Controlling Parties

There is no overall controlling party. Each member of the CIO is liable to contribute to the assets of the CIO such amount (but not more than £5) as may be required for payment of the debts and liabilities of the CIO contracted before that person or organisation ceases to be a member. The Management Committee control the charity as a body. No single member can or does exercise any individual control.

HOLBEACH AND EAST ELLOE HOSPITAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

26 Cash generated from operations	2024	2023
	£	£
(Deficit)/surplus for the year	(181,360)	605,611
Adjustments for:		
Investment income recognised in statement of financial activities	(11,220)	(2,218)
Loss on disposal of investments	2,961	12,124
Depreciation and impairment of tangible fixed assets	123,465	116,472
Movements in working capital:		
Decrease/(increase) in stocks	7,625	(608)
Decrease/(increase) in debtors	589,415	(667,242)
Increase in creditors	9,460	8,144
Cash generated from operations	540,346	72,283

27 Analysis of changes in net funds

The trust had no material debt during the year.

