

**CRANLEIGH VILLAGE HOSPITAL TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

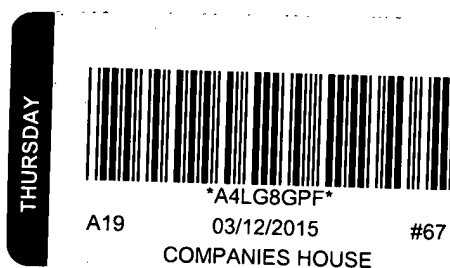
**REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2015**

**CHARITY NO 1089861**

**COMPANY NO 04253074**

**BREWERS**

Chartered Accountants  
Bourne House  
Queen Street  
Gomshall  
Surrey GU5 9LY



## **CRANLEIGH VILLAGE HOSPITAL TRUST**

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**CRANLEIGH VILLAGE HOSPITAL TRUST**  
**REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2015**

**LEGAL AND ADMINISTRATIVE INFORMATION**

**Registered office and business address and registration numbers**

Oliver House  
93, High Street  
Cranleigh  
Surrey, GU6 8AU  
Charity Number: 1089861  
Company Number: 04253074

**Board of Directors**

The Trustees serving during the financial year and since the year end were as follows:

Dr Robin Fawkner-Corbett	(Chairman)
Nick Vrijland	(President)
John Bainbridge	(Treasurer and Company Secretary)
David Barry	
Brian Cheesman	
Dianne Davies	
David Graham-Smith	
Andy Leahy	
Nigel Roberts	
Andrew Davies	(appointed 16 <sup>th</sup> December 2014, resigned 21 <sup>st</sup> April 2015)

**Independent Examiner**

Andrew Skilton  
Brewers Chartered Accountants  
Bourne House  
Queen Street  
Gomshall  
Surrey GU5 9LY

**Bankers**

HSBC Bank plc  
High Street  
Cranleigh  
Surrey GU6 8AL

**Solicitors**

Penningtons Manches LLP  
Highfield  
Brighton Road  
Godalming  
Surrey GU7 1NS

## **CRANLEIGH VILLAGE HOSPITAL TRUST**

### **CHAIRMAN'S STATEMENT FOR THE YEAR ENDED 31 AUGUST 2015**

Following the 2014 AGM, held in April 2015, two very significant inter-related statements were issued, namely a Post-AGM Interim Report by CVHT on *New Health and Social Care facilities for Cranleigh*, and a *Position Statement* by Key Stakeholders. Both of those documents captured two fundamentally important aspects of the on-going CVHT-led efforts to create and enhance medical support for the local communities. In these regards, particular emphasis was placed on: (i) the increasingly pivotal role that is, and will continue to be played by the Royal Surrey County Hospital (RSCH), and (ii) the constructive dialogue among the key local health-related stakeholders who have an active interest in the use of both the Knowle Lane site and the Old Village Hospital. These stakeholders include the RSCH, Guildford and Waverley CCG, Surrey County Council (SCC), Virgin Care, Phyllis Tuckwell Hospice, the Cranleigh Medical Practice, Cranleigh Hospital League of Friends and CVHT.

The regular stakeholder discussions and formal meetings were initiated in March 2015 and have continued to focus on the provision and funding of appropriate 'community beds' on the Knowle Lane site, in terms of their number and type of care to be provided; this would include step-down, end-of-life, and SCC nursing care, for example. These on-going discussions are being held in parallel with RSCH's separate discussions with potential operators of the planned adjacent Care Home, keeping fully in mind the value of optimising the integration, and possible sharing, of the envisaged overall site facilities at Knowle Lane.

The stakeholder discussions have, in particular, highlighted that financial viability is dependent on getting the correct balance in three key areas, namely, levels of bed occupancy, the market price rate for the beds, and the (medical) classification of those beds. Further research is now being carried out to test some of the existing assumptions/options in the cost-models to identify, for example, any areas of financial uncertainties and so enhance their robustness. RSCH remains fully confident that a workable model can be established, and implemented, for delivering 20 beds that are free-at-the-point-of-entry, and which would, optimally, be directly controlled by the RSCH.

The products of these discussions will lead directly to the creation of an optimised site development plan that will form the basis of a Planning Application following its earlier display (in the form of an exhibition) to the general public. We hope that the programme for this display will be identified by the end of 2015.

In terms of wider health facilities in Cranleigh, RSCH continues to pursue the selection of a partner who will provide a comprehensive range of state-of-the-art diagnostics on the Old Village Hospital site, such as MRI, radiology, and ultra-sound scanning, together with the development of the planned out-patient facility. The programme for establishing final terms of reference for the prospective bidders is expected to be finalised by the end of 2015.

It is also appropriate to report that Andrew Davies, Consultant in Palliative Medicine and End-of-Life Care at RSCH, briefly sat on the Trust Board in late 2014 and we are grateful for his input and the expertise that he shared with Trustees. We thank him for his continuing support.


**CRANLEIGH VILLAGE HOSPITAL TRUST**  
**CHAIRMAN'S STATEMENT FOR THE YEAR ENDED 31 AUGUST 2015– CONT'D**

In regard to PR issues, we consider it is reasonable to conclude that, in the absence of any reaction whatsoever from the Charities Commission following our detailed responses (in January 2015) to their various queries, the Commission is now totally satisfied that the Trust has complied with, for example, the Charities Act 2011 in all our actions and that, *inter alia*, there have been no actual or potential conflicts of interest in actions by any Trustees.

In further regard to PR, considerable efforts have now been made to update and enhance the CVHT Website ([www.cranleighhospital.org](http://www.cranleighhospital.org)) - in preparation for when the RSCH has concluded its negotiations and can announce definite partners for key aspects of the project, from which time it is planned to provide regular updates on key aspects of progress via this main website. In the interim we have a minimal cost temporary website at [www.cvht.org.uk](http://www.cvht.org.uk).

In contrast to the negative feedback in the press last year, there has been encouraging feedback from both press and the public since the last AGM, although there is understandable frustration with the length of the process involved. You will recall that a summary report on how CVHT has expended the funds collected was presented at the last AGM entitled "*A summary history of key activities, revenues and costs: 2002-2014*"

In conclusion, I am, as ever, indebted to all the Trustees, the Trust Administrator, Christina Pearce, and all the volunteers for their continuing commitment and enthusiastic support during these critically pivotal stages of the project.



**Robin Fawcner-Corbett**

Chairman

24<sup>th</sup> November 2015

## **CRANLEIGH VILLAGE HOSPITAL TRUST**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2015**

The Trustees are pleased to present their report together with the financial statements of the Charity for the year ended 31 August 2015.

Legal and administrative information set out on page 3 forms part of this report. The financial statements comply with the Companies Act 2006, relevant accounting standards, the Memorandum and Articles of Association and the Statement of Recommended Practice – Accounting and Reporting by Charities.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Constitution**

Cranleigh Village Hospital Trust is a company limited by guarantee and a registered Charity governed by its Memorandum and Articles of Association. Charity number: 1089861. Company number: 04253074.

### **Directors and Trustees**

The Trustees of the Company are also Directors under company law and the Trustees' Report is also a Directors' Report as required by S417 of the Companies Act 2006. Throughout this report the Directors are referred to as Trustees. In accordance with the Articles of Association, one third of the Trustees will resign at the AGM. Trustees are elected at a meeting of the Board of Trustees based on nominations received from Trustees or Members. Nominations are made based on personal competence and specialist skills. Any nomination must be proposed and seconded. New appointments are ratified at the AGM. Candidates must show knowledge of and an interest in the Hospital and the community it serves and be willing to give the time necessary to meet the Charity's aims. Trustees are also selected to give the Charity a good mix of appropriate professional skills e.g. finance, legal, retail, property management and fund-raising.

Thus, all the Trustees are highly skilled professionals and the Charity, in recognising the special requirements of a Charitable Company, encourages the Trustees to make themselves duly aware of the needs of the Charity by studying relevant guidance, undertaking appropriate reading and, where necessary, attending suitable courses, especially those issued or organised by the Charity Commission. The Charity also stresses in its governance documentation the need to operate under Charity Commission guidelines. All Trustees are appointed for a fixed term of not more than three years. The Trustees retire by rotation and may put themselves forward for re-election at the AGM.

Andrew Davies, Consultant in Palliative Medicine and End-of-Life Care at RSCH, was appointed Trustee in December 2014, prior to which point he had made valuable contributions to several CVHT Board Meetings as a representative of RSCH. However, he decided to resign his trustee role in April 2015 as he felt that there might be a perceived conflict of interest with regard to his potential role in the future selection and provision of relevant health services in Cranleigh.

The Trust maintains Trustees Fidelity Insurance in respect of the Trustees.

### **Objects of the Charity**

Cranleigh Village Hospital Trust (Company No. 04253074) is a company limited by guarantee and is governed by its Memorandum and Articles of Association as amended on 6 December 2001, 29 August 2007 and 28 January 2010. The liability of the Members is limited to £1.

## **CRANLEIGH VILLAGE HOSPITAL TRUST**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2015 – CONT'D**

It was established as a Charity (registered number 1089861) on 19 December 2001 with the purpose of: *"The relief of sickness in the Waverley Primary Care Group area and any additional areas as the Trustees think fit in particular by providing or assisting in the provision of a hospital in Cranleigh being the Cranleigh Village Hospital"*.

In early 2008, the Charity made public that it was working with the care home industry with the intention of solving the "beds problem" created when the then Primary Care Trust closed the beds in the old Village Hospital.

Since then, CVHT has been pursuing the aims of providing a new Out Patients Department (OPD) and Care Home with 10 beds free at the point of access to the public in separate buildings on the Knowle Lane site and in the old Village Hospital; together referred to below as the "healthcare facilities". The Trustees believe this will enable the provision of significantly superior healthcare than was provided by the old hospital. As reported in the Chairman's Statement, the Trustees are now, with the Royal Surrey County Hospital (RSCH), investigating utilising the old hospital for out-patient functions and the provision of a Palliative Care Unit in Cranleigh.

The abbreviated title of the Charity is CVHT and it has the following mission statement:

*"CVHT is committed to the development of new secondary health care facilities with an extended OPD and including 10 free at the point of access beds for NHS patients. When opened these facilities will be available to patients from Cranleigh and the surrounding villages. CVHT will remain the ground landlord of the site in Knowle Lane in perpetuity on behalf of the community but will liaise with others to build, maintain, run and possibly develop further the said ground"*.

Any grants made by the Charity are in accordance with Charity law, its constitution and the wishes of donors.

#### **Organisation**

The Charity has a subsidiary, CVHT Enterprises Limited, which was formed to manage major fundraising events. CVHT Enterprises Limited was not active in the year.

The Charity is managed by a Board of Trustees which met nine times during the year. Decisions are made on a majority basis unless a decision is perceived by the Trustees as being fundamental to the objectives of the Charity, in which case a unanimous vote is required.

The day-to-day administration of the Charity's needs is delegated to the Administration Manager: Christina Pearce.

#### **Risk Management**

The Board regularly considers the major risks to which the Charity is exposed and the following risks have been identified:-

Inability to gain sufficiently explicit support from RSCH or other interested party (as prospective tenants) for the building of healthcare facilities to meet Waverley Borough Council planning requirements; inability to find a provider willing to take the care home element of the project forward, on an agreed cost basis, for the provision of beds for at least 10 years; inability to obtain full planning permission, without undue conditions, for the healthcare facilities now envisaged; inability to find sufficient on-going resources to manage the project effectively for the envisaged proposals.

## **CRANLEIGH VILLAGE HOSPITAL TRUST**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2015 – CONT'D**

The Trustees address those identified risks in accordance with the following action plan:-

To make the project as attractive as possible to actual and potential partners; to work closely with the planners before a Planning Application is submitted; to liaise closely with RSCH (or other interested party) regarding their potential need for facilities in the healthcare facilities; liaison with the CCG Chairman and any possible successor bodies using the Mediation Agreement as a basis; seek suitable resources to fill any gaps in Trustee resources caused by lack of time or appropriate skills.

#### **Investment policy**

The Board is responsible for the Charity's investment policy. The Trustees review the deposits held and the funds available at their regular board meetings. The Trustees duly consider the Charity's income requirements, the risk profile and market prospects, and invest in low-risk investments to ensure the appreciation of the Charity's funds. During the year the return remained at 1.4%; reflecting the continuing low interest environment. The emphasis is on maintaining a high level of liquidity and a low to moderate investment risk.

#### **Reserves**

Reserves have been accumulated in order to finance the proposed new healthcare facilities.

#### **Public benefit**

The primary objective of the Charity is the relief of sickness in the Waverley Cranfold area. The Trustees confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities. The Charity seeks to achieve these objectives by continuing the pursuit of the provision of, or assisting with the provision of, new healthcare facilities in Cranleigh.

### **ACHIEVEMENTS AND ACTIVITIES OVER THE LAST 12 MONTHS**

CVHT's achievements and activities in the year are contained in the Chairman's Statement on page 4 and 5.

### **PROJECT DEVELOPMENT / FUTURE PLANS**

The necessary next steps include:-

- Finalisation of discussions with RSCH including the services to be provided
- Finalisation of the selection of the Care Home operator in conjunction with RSCH
- Completion of all legal formalities
- Submission of detailed planning application(s)
- Continued liaison with the various statutory bodies
- Development and launch of a fundraising campaign

#### **Financial Review**

The principal fund source during the year was income from the shop. The net deficit for the year from ordinary activities decreased to £38,153 from £45,196 in 2014. The principal movements that contributed to this improvement were increased income from voluntary sources and a reduction in governance costs.



## **CRANLEIGH VILLAGE HOSPITAL TRUST**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2015 – CONT'D**

#### **Supporters**

During the year, Charity membership has remained largely unchanged. To improve communication, Members are periodically invited to attend Charity meetings. The Charity wishes to thank all its supporters – Patrons, Appeal Patrons, Members, Fundraisers, Volunteers and others – for their continuing support and flow of ideas throughout another challenging year.

#### **Volunteers**

Cranleigh Village Hospital Trust is very fortunate to have a pool in excess of 30 supportive and dedicated volunteers. The Trustees are extremely grateful for the way in which they ensure the smooth running of the Oliver House shop and also volunteer to support other fundraising activities. All their time is freely given and amounts to a total equivalent of in excess of 300 man-days throughout the year. The shop and the goodwill engendered by their contribution is a vital source of encouragement to us all.

#### **Interested Parties**

The relationships with the League of Friends of Cranleigh Village Hospital and Cranleigh Parish Council continue to be excellent and the Charity wishes to thank them for their continued support.

### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The Trustees (who are also directors of Cranleigh Village Hospital Trust for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgments and accounting standard estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

By order of the Trustees



.....  
**John Bainbridge**

Company Secretary

24<sup>th</sup> November 2015

## **CRANLEIGH VILLAGE HOSPITAL TRUST**

### **Independent Examiner's Report to the Trustees of Cranleigh Village Hospital Trust Limited**

I report on the financial statements of the company for the year ended 31 August 2015 as set out on pages 12 to 20.

This report is made solely to the Charity's Trustees, as a body, in accordance with Section 145 of the Charities Act 2011. 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 this 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, for this report, or for the opinions I have formed.

### **Respective responsibilities of Trustees and examiner**

The Charity's Trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of financial statements. The Trustees consider that an audit is not required for this year under Section 144(2) of the Charities Act 2011 (the '2011 Act') and that only an independent examination is needed.

Having satisfied myself that the Charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the financial statements under section 145 of the 2011 Act;
- follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act; and
- state where particular matters have come to my attention.

### **Basis of independent examiner's report**

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the Charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements and seeking explanations from you as Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the financial statements present a 'true and fair view' and the report is limited to those matters set out in the statement below.

## Independent examiner's statement

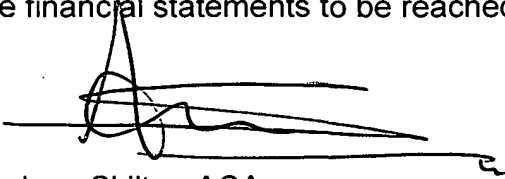
In connection with my examination, no matter has come to my attention:

a) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 386 of the Companies Act 2006; and
- to prepare financial statements which accord with the accounting records and to comply with the accounting requirements of the section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met; or

b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.



Andrew Skilton ACA  
Brewers Chartered Accountants  
Bourne House,  
Queen Street,  
Gomshall  
GU5 9LY

Date: 24<sup>th</sup> November 2015

**CRANLEIGH VILLAGE HOSPITAL TRUST**  
**STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2015**

	Notes	Unrestricted Funds 2015 £	Unrestricted Funds 2014 £
<b>INCOMING RESOURCES</b>			
<b>Voluntary Income</b>			
Donations		2,184	1,234
Legacy		2,000	-
<b>Activities for generating funds:</b>			
Shop Income	1	20,597	24,843
<b>Investment Income</b>			
Interest Receivable	1	<u>4,309</u>	<u>5,038</u>
<b>TOTAL INCOMING RESOURCES</b>		<u><b>29,090</b></u>	<u><b>31,115</b></u>
<b>RESOURCES EXPENDED</b>			
<b>Cost of generating funds:</b>			
<b>Activities for generating funds</b>			
Shop Expenditure (cost of goods sold and other costs)	4,5	22,805	24,983
<b>Charitable activities:</b>			
Operational costs	6	32,136	33,223
<b>Governance Costs</b>			
	7	<u>12,302</u>	<u>18,105</u>
<b>TOTAL RESOURCES EXPENDED</b>		<u><b>67,243</b></u>	<u><b>76,311</b></u>
Net outgoing resources for year before other recognised losses		(38,153)	(45,196)
Revaluation	9	-	(110,000)
<b>FUNDS BROUGHT FORWARD</b>		<u><b>2,741,595</b></u>	<u><b>2,896,791</b></u>
<b>FUNDS CARRIED FORWARD</b>		<u><b>2,703,442</b></u>	<u><b>2,741,595</b></u>

The statement of financial activities includes all gains and losses recognised in the year.  
All incoming resources and resources expended derive from continuing activities.

**CRANLEIGH VILLAGE HOSPITAL TRUST**  
**BALANCE SHEET AS AT 31 AUGUST 2015**

	Notes	2015 £	2015 £	2014 £	2014 £
<b>Fixed assets</b>					
Tangible assets	9		2,400,654		2,400,872
Investments	3		<u>1,000</u>		<u>1,000</u>
			2,401,654		2,401,872
<b>Current assets</b>					
Stock	10	637		687	
Debtors	11	2,996		3,362	
Cash at bank and in hand		<u>304,110</u>		<u>342,600</u>	
		307,743		346,649	
Creditors: amounts falling due within one year	12	<u>(5,955)</u>		<u>(6,926)</u>	
<b>Net current assets</b>			<u>301,788</u>		<u>339,723</u>
<b>Net Assets</b>			<u><u>2,703,442</u></u>		<u><u>2,741,595</u></u>
<b>Unrestricted funds</b>					
General	13		<u><u>2,703,442</u></u>		<u><u>2,741,595</u></u>

For the year ending 31 August 2015 the company was entitled to exemption from audit under sections 475 and 477/479 of the Companies Act 2006.

The members have not required the charitable company to obtain an audit of its financial statements for the year in question in accordance with section 476 of the Companies Act 2006.

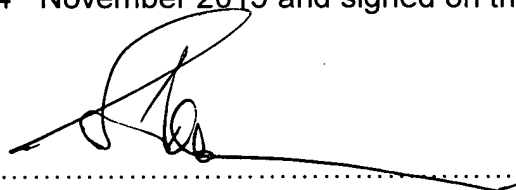
The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and preparation of the financial statements.

These financial statements have been prepared in accordance with the special provisions for small companies under part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

These accounts were approved by the Trustees on 24<sup>th</sup> November 2015 and signed on their behalf by:-



.....  
**Robin Fawkner Corbett – Trustee**



.....  
**John Bainbridge - Trustee**

Company registration No: 04253074  
Charity registration No: 1089861

**CRANLEIGH VILLAGE HOSPITAL TRUST**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

**1. ACCOUNTING POLICIES**

The financial statements have been prepared under the historical cost convention, as modified by the inclusion of the freehold land at market value. The financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) the Statement of Recommended Practice, Accounting and Reporting by Charities (the Charities SORP 2005), applicable accounting standards, the Companies Act 2006 and The Charities (Accounts and Reports) Regulations 2008. The principal accounting policies adopted in the preparation of the financial statements are as follows:

**GROUP FINANCIAL STATEMENTS**

Consolidated Financial Statements have not been prepared in accordance with SORP 383(c) as the results of the subsidiary are not material to the group. The results of the trading subsidiary CVHT Enterprises Limited are given in note 3.

**INCOMING RESOURCES**

**Fundraising Events**

Income from fund raising events is included in incoming resources in the period in which the relevant event takes place.

**Shop Income**

Income from commercial activities relates to sales made by the shop at Oliver House, Cranleigh. Income is included in the period in which the company is entitled to receipt.

**Donations, Legacies and Grants**

Income from donations, legacies and grants, is included in incoming resources when these are receivable, except when donors impose conditions which have to be fulfilled before the Charity becomes entitled to use such income, the income is deferred and not included in incoming resources until the pre-conditions for use have been met.

**Donated Services and Facilities**

Donated services or facilities are included in incoming resources at a valuation which is an estimate of the financial cost borne by the donor where such a cost is quantifiable and measurable. No income is recognised when there is no financial cost borne by a third party.

**Interest Receivable**

Interest is included when receivable by the Charity.

**Resources Expended and Irrecoverable VAT**

All resources expended are recognised once there is a legal or constructive obligation to make a payment to a third party.

**CRANLEIGH VILLAGE HOSPITAL TRUST**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS – CONT'D**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

Cost of generating funds includes shop expenditure and other fundraising appeal costs.

Charitable costs include the operating costs of running the Charity.

Support costs include the cost of directly administering and supporting the Charity's operations have all been allocated to Charitable activities

Governance costs comprise the costs of running the Charity, including accountants' fees and any legal advice.

Irrecoverable VAT is charged against the category of resources for which it was incurred.

**Tangible Fixed Assets**

Individual fixed assets purchased costing £100 or more are capitalised at cost. Donated land is included at open market valuation.

Tangible fixed assets are depreciated on a reducing balance basis over their estimated useful lives as follows:

Fixtures, fittings and equipment	25%
----------------------------------	-----

Depreciation has not been charged on assets under the course of construction which comprise land and costs attributable to the proposed construction of the new hospital. Depreciation will be charged once the construction is complete and a useful economic life can be determined.

**Investments**

The investment in the subsidiary undertaking CVHT Enterprises Limited is valued at cost.

**Stock**

Stock is included at the lower of cost or net realisable value.

**Fund Accounting**

Funds held by the Charity are all unrestricted general funds – these are funds which can be used in accordance with the charitable objects at the discretion of the Trustees.

**Cashflow Statement**

The Charity has taken advantage of the exemption conferred by Financial Reporting Standards from presenting a cashflow as it qualifies as a small company.

**2. LEGAL STATUS OF THE CHARITY**

The Charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding-up is limited to £1.

**CRANLEIGH VILLAGE HOSPITAL TRUST**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS – CONT'D**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

**3. COMMERCIAL TRADING OPERATIONS AND INVESTMENT IN TRADING SUBSIDIARY**

The Charity holds a 100% investment in the Ordinary Share capital of CVHT Enterprises Limited, which is incorporated in the United Kingdom. CVHT Enterprises Limited covenants all its profits to the Charity. The company was set up to run fundraising events. CVHT Enterprises Limited was not active during the year. Net assets at 31 March 2015 and 31 March 2014 were £1,000.

**4. TRADING – COSTS OF GOODS SOLD**

	<b>2015</b> £	<b>2014</b> £
Opening Stock	687	1,694
Purchases	9,356	10,849
Closing Stock	<u>(637)</u>	<u>(687)</u>
Cost of Goods sold	<u>9,406</u>	<u>11,856</u>

**5. OTHER SHOP COSTS**

	<b>2015</b> £	<b>2014</b> £
Insurance	343	320
Rent	9,000	9,000
Bank charges	591	615
Maintenance	273	44
Utilities	<u>3,192</u>	<u>3,148</u>
	<u>13,399</u>	<u>13,127</u>

Rent of £9,000 (2014: £9,000) was paid to N Vrijland and his wife for the use of Oliver House from which the charity operates its shop and campaign activities (see note 15).

**6. CHARITABLE ACTIVITIES**

	<b>2015</b> £	<b>2014</b> £
Staff costs	<u>30,496</u>	<u>30,985</u>
<i>Support costs for the Charity:</i>		
Telephone and internet	512	593
Computer	160	303
Stationery and office supplies	287	267
Depreciation	219	217
Campaign promotion costs	51	-
Insurance	231	212
Sundry	<u>180</u>	<u>646</u>
	<u>1,640</u>	<u>2,238</u>
Total Operational costs	<u>32,136</u>	<u>33,223</u>



**CRANLEIGH VILLAGE HOSPITAL TRUST**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS – CONT'D**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

**STAFF COSTS**

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Wages & salaries	29,250	29,250
Social Security costs	<u>1,246</u>	<u>1,735</u>
	<u><b>30,496</b></u>	<u><b>30,985</b></u>

During the period the Trust employed one employee and reimbursed Cranleigh School who operate the payroll on its behalf. The Trustees were not paid during the year. John Bainbridge was reimbursed £149 for payments to Plusnet, the Trust's internet provider. Nigel Roberts was reimbursed £30 for a payment to Easily for website services. No other expenses were reimbursed during the year.

**7. GOVERNANCE COSTS**

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Professional fees	9,401	15,204
Independent Examination	2,500	2,500
Trustee Indemnity Insurance	<u>401</u>	<u>401</u>
	<u><b>12,302</b></u>	<u><b>18,105</b></u>

**8. MOVEMENT IN FUNDS**

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
This is stated after charging:		
Depreciation	219	217
Independent Examination	2,500	2,500

**CRANLEIGH VILLAGE HOSPITAL TRUST**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS – CONT'D**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

**9. TANGIBLE FIXED ASSETS**

	<b>Fixtures &amp; Fittings</b>	<b>Assets under the course of construction</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Cost/Valuation			
At 1 September 2014	15,323	2,400,000	2,415,323
Additions	-	-	-
<b>At 31 August 2015</b>	<u>15,323</u>	<u>2,400,000</u>	<u>2,415,323</u>
Depreciation			
At 1 September 2014	14,451	-	14,451
Provided for the year	<u>218</u>	<u>-</u>	<u>218</u>
<b>At 31 August 2015</b>	<u>14,669</u>	<u>-</u>	<u>14,669</u>
Net book value			
<b>At 31 August 2015</b>	<u>654</u>	<u>2,400,000</u>	<u>2,400,654</u>
At 31 August 2014	<u>872</u>	<u>2,400,000</u>	<u>2,400,872</u>

All tangible fixed assets are held for direct Charitable purposes. Assets under the course of construction are land and costs for the proposed construction of the new Care Home and Outpatients Department. The Trustees do not consider the assets to be impaired. Included within assets under the course of construction is land at Knowle Lane which has been donated by Cranleigh Parish Council in exchange for land donated by Nick Vrijland, the president of Cranleigh Village Hospital Trust, under a land exchange agreement which was completed in December 2010.

The value of the site, including development costs to date, was independently valued at £2,400,000 by Fairweathers, Chartered Surveyors, at 31<sup>st</sup> March 2015. The Trustees adopted that valuation for both the 2014 and 2015 Financial Statements.

**10. STOCK**

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Goods purchased for re-sale	<u>637</u>	<u>687</u>

**CRANLEIGH VILLAGE HOSPITAL TRUST**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS – CONT'D**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

**11. DEBTORS**

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Gift Aid	18	45
Other debtors	<u>2,978</u>	<u>3,317</u>
	<u><b>2,996</b></u>	<u><b>3,362</b></u>

**12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Amounts due to Subsidiary	909	909
Trade creditors	1,066	517
Accruals and deferred income	3150	5,500
Other Creditors	<u>830</u>	<u>-</u>
	<u><b>5,955</b></u>	<u><b>6,926</b></u>

**13. UNRESTRICTED FUNDS**

	<b>General Fund</b>	<b>General Fund</b>
	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Balance at 1 September 2014	2,741,595	2,896,791
Movement in funds for the year	(38,153)	(45,196)
Revaluation	-	(110,000)
Balance at 31 August 2015	<u><b>2,703,442</b></u>	<u><b>2,741,595</b></u>

**14. ULTIMATE CONTROLLING PARTY**

There was no ultimate controlling party during the year.

**15. RELATED PARTIES**

No expenses were reimbursed to the Trustees during the year.

Nick Vrijland and his wife own Oliver House, from which the Charity operates its retail and campaign activities. Rent for Oliver House of £9,000 was paid during the year (2014 - £9,000).

David Graham-Smith, a Trustee, is a consultant with Penningtons Solicitors LLP to whom legal fees of £4,218 were paid during the year (2014 - £12,683) and £650 has been accrued at the year end (2014 - £3,000).

John Bainbridge, David Barry and Nick Vrijland are also directors of CVHT Enterprises Limited.

Brian Cheesman, Dianne Davies, and Robin Fawcner-Corbett are also Trustees of The League of Friends of Cranleigh Village Hospital, a Charity with which Cranleigh Village Hospital Trust co-operates in pursuit of the objective of providing a new hospital for the community.

**CRANLEIGH VILLAGE HOSPITAL TRUST  
NOTES FORMING PART OF THE FINANCIAL STATEMENTS – CONT'D  
FOR THE YEAR ENDED 31 AUGUST 2015**

**16. CONTINGENT LIABILITIES**

Under the terms of the Mediation Agreement Cranleigh Village Hospital Trust agreed in 2010, subject to certain conditions, to pay towards the reasonable cost of temporarily relocating Cranleigh Medical Practice into and out of the old Cranleigh Hospital whilst a new Health Centre was constructed on its current site, subject to a negotiated maximum of £200,000 inclusive of VAT. It is the Trustees' view that the conditions have not been fulfilled and that no liability will crystallise.