



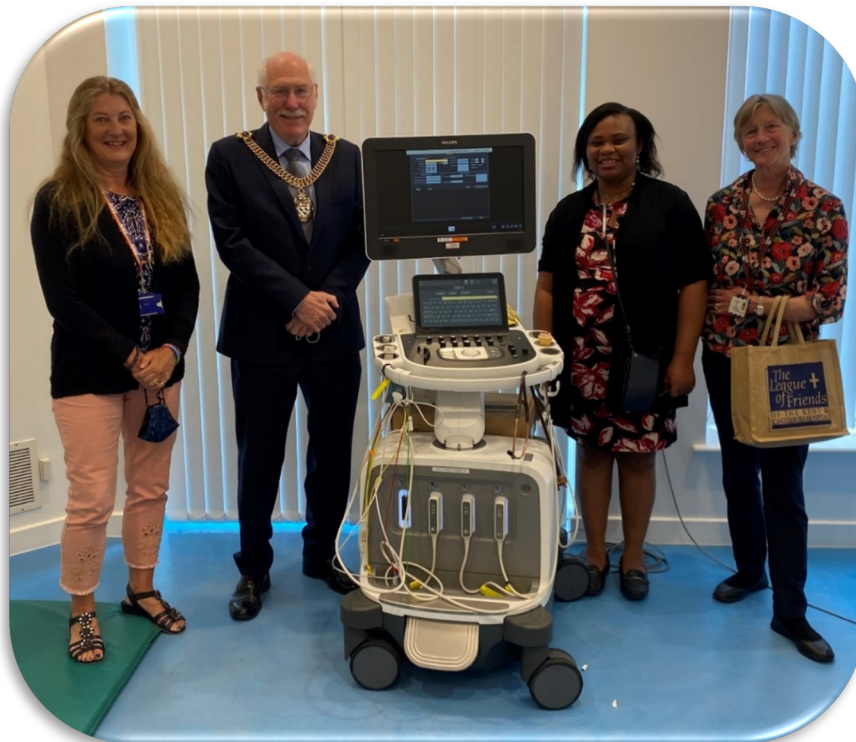
**The Queen's Award
for Voluntary Service**



Registered Charity Number 1155088

Annual Report & Accounts

For the Year Ending 31 December 2021



**Children with complex heart conditions no longer have to travel
to London thanks to this state-of-the-art £69,500 ultrasound machine**

From left to right: League Vice Chairman, Louise Coleman; League President,
the Lord Mayor of Canterbury, Cllr Patt Todd; Paediatric Cardiologist, Dr Orode Mode
and League Chairman, Dr Catriona Irvine



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Dr Catriona Irvine
Chairman

Chairman's Foreword

Welcome to the League of Friends of the Kent & Canterbury Hospital's annual report and accounts for the year ending 31 December 2021.

Since its foundation in 1953, the aim of the charity has been to support the work of the hospital by providing services and raising funds to purchase equipment for the benefit of patients, staff and visitors.

In the twelve months since last year's report, most of the world has seen a gradual recession of the Covid-19 pandemic and life in work and leisure is gradually returning to normal. The League of Friends (the League) continued to support the Kent and Canterbury Hospital throughout the pandemic, even though volunteering and fundraising opportunities were naturally limited.

With the gradual return towards normality, our charity has steadily increased fundraising activities and contributions to the hospital and I am proud to report that we have been able to gift a remarkable £244,000 this year. Some of the varied items gifted to the hospital will be highlighted later.

We have continued to receive a number of generous donations and legacies from grateful patients and in memory of loved ones. These donations have been particularly well received during a time when our fundraising opportunities have been curtailed.

Unfortunately, for the second year running, it was not possible to hold our major fundraising event, the annual joint hospital and League of Friends fair but it is hoped that the event can go ahead in August 2022.

As Chairman, I would like to thank all our volunteers in the eight groups in Canterbury and surrounding villages, who developed ingenious and innovative Covid-safe ways to raise funds for the League during lockdowns and Covid restrictions. Also, staff and volunteers of our four hospital shops and ward trolley service, who have worked hard to re-establish our highly valued service for patients, relatives and staff.

Thanks also go to the Trustees and our Charity Manager who have worked together through these difficult times to ensure good governance, prudent management and safe practice of the charity. Thanks to the support of every single person involved with our charity, including our thriving Stamps & Coins Service, the League continues to be able to make a real difference for patients and staff.

We are always happy to welcome new members and volunteers to help us in this worthwhile work. See our website www.lofkch.org.uk for more information or follow our good news stories on Facebook and Instagram.

Catriona

Charity Objectives

The key objective of the charity (the League) is to provide services and funds to support the purchase of equipment and facilities which are beyond the scope of government funding to relieve sickness, protect good health and enhance the care and treatment of patients and visitors accessing NHS services at the Kent and Canterbury Hospital, which is a constituent part of the East Kent Hospitals University NHS Foundation Trust (the Trust).

The League achieves its objectives by means of operating hospital shops which primarily sell goods to patients, visitors and hospital staff, by fundraising activities and the provision of services. These services include the provision of a mobile library service to in-patients and shop trolley to the wards, as well as fundraising activities in the community. Due to Covid-19 restrictions in place during 2021, it was not possible for our trolley services to visit hospital wards.

In considering the objectives, the Trustees have complied with the duty in section 17(5) of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission.

The Trustees are confident that the activities which they undertake have a clear public benefit. The Trust provides clinical services within the scope of their NHS requirements and the League works hard to support and enhance those services.

Grants

Applications are received from the Kent and Canterbury Hospital staff for equipment and facilities for use in the hospital.

Applications are examined against criteria laid down by the Trust and the League Trustees. Grants are approved at the Trustee Board meetings and supported by both Central and Group funds.

The aim of the grants is to deliver projects and purchase equipment that make a difference to all who use the services at the Kent and Canterbury Hospital by:

- * Enhancing the quality of patient care
- * Improving the environment for patients and visitors
- * Supporting NHS staff welfare in their work environment
- * Providing financial funding for projects that support patient education and well-being

The League depends almost entirely on unpaid volunteers for fundraising and for staffing the services which we provide for the hospital. The Trustees are truly appreciative of their hard work and acknowledge that the success of the League is largely due to them.



Lynne Bannon, our Charity Manager, oversees the League's Central activities, reporting to the trustees and helping to ensure that the League achieves its overall objective of supporting the hospital for the benefit of patients, staff and visitors.



Matt Tillman, our Shops' Manager, runs the hospital's highly valued shops, helping us achieve our mission by providing a service to patients, staff and visitors and maximising shops' profits which are used to purchase equipment for the hospital.

Focus on Fundraising

Our fundraising groups

- Ash
- Barham & Kingston
- Canterbury South
- Chartham
- Nailbourne
- Rough Common, Harbledown & Blean
- St Stephen's & St Dunstan's
- Sturry

Our nine city and village groups became eight during the year, following the retirement of the City Centre group Chairman and the decline of membership. The remaining eight dedicated groups are instrumental in raising funds for the League and form the backbone of the charity.

Pre-pandemic, volunteers in the various groups ran a wide range of activities throughout the year, including coffee mornings, bingo sessions, bring and buy events, stalls at the annual fair, selling Christmas cards, etc.

Since the start of the pandemic in 2020, groups have adapted and found innovative ways to raise funds whilst adhering to Government guidelines. During 2021, letter drops undertaken by several groups have proved highly successful, as have outside stalls, posted quiz games and jam making sold in the hospital shops, to name a few.

Group members, as well as individual volunteers, also give their time in our four hospital shops. These provide a valuable service for patients, staff and visitors by selling food, snacks, drinks, newspapers, magazines, cards and many other useful items.

The health benefits of volunteering are well documented. Our volunteers have commented that they thoroughly enjoy the social aspect of giving up their free time to support the League, working with long-established friends and having the opportunity of meeting new people. Many of our volunteers enjoy it so much that they have been with us for 20 years or more - some as many as 40 years and one, amazingly, for over 60 years!

However, we are always looking for new people to join the League of Friends, so if you are interested in finding out more, please email Lynne at ekh-tr.leagueoffriends@nhs.net or telephone 01227 864030.

The League turns fundraising profits into hugely appreciated pieces of equipment and facilities which benefit so many patients, their visitors and our highly valued NHS staff. Equipment can range from small items such as chairs and overbed tables, to expensive high-tech medical machines such as a specialised ultrasound system and an MRI Capsule. Sometimes the smallest items can make the biggest difference which is very rewarding for our group members who selflessly fundraise throughout the year.

To everyone who has given up their free time to organise fundraising events, worked in our hospital shops and volunteered for our Library Trolley and Collectibles Services, your efforts have not gone unnoticed and we say a huge thank you for your support and for contributing towards the continuing success of our charity.

Fundraising successes



Canterbury South continued/

Around 30 people attended a Coffee & Cake morning raising £281. Other fundraising events included a monthly word quiz which raised £458, a home-delivered soup lunch event which raised £268 and a stall outside a member's home raising over £650.

Chartham group set up a stall on a sunny afternoon at their village Fair and raised £285 to boost group funds. Jam sales in the League shop have raised over £350.

Ash group continues to do well with their regular stall at a local church and monthly coffee mornings. The latter raised a record £307 at the August event.



Barham & Kingston group raised just over £206 at their two table top sales, outside a member's home.

Canterbury South group held a successful Strawberry Cream Tea in the sunny garden of a member, raising a fantastic £520.



Rough Common, Harbledown & Blean group set up an Easter stall outside a member's home with items such as books, puzzles, bric-a-brac and plants kindly donated by villagers, family and friends and raised an impressive £1,225.



A successful Strawberry Tea in July raised £750 with an additional £190 from the raffle. The group went on to raise a further £600 at their Autumn Lunch and £715 at their October Quiz Night.

St Stephen's & St Dunstan's group raised a fantastic £700 at their Garden Party. Music and games set the scene for this well-attended event and delicious homemade cakes and summer punch proved popular. The support of the Lord Mayor of Canterbury and the Lady Mayoress was much appreciated.



Whitstable Charity Parking. Canterbury South group and several trustees raised nearly £700 during the year at the regular Whitstable Junior School charity parking days. Home grown produce and jams boosted takings.



Sturry group had fun at their August Garden Party, raising £342. A stall at a local church to celebrate the launch of three local history books raised £100. The group was pleased to welcome the Lord Mayor and Lady Mayoress to a Christmas coffee morning, with a large raffle and many varied stalls, raising £535.



Shops' Raffles – Shops' staff and volunteers worked hard selling raffle tickets for the four shops' raffles during the year. A fabulous number of prizes were sourced and with the enthusiastic support of staff and customers, an amazing £7,144 was raised, which will be used to fund a piece of equipment.



Two groups, Nailbourne and Canterbury South, undertook house-to-house letter drops in their local area, explaining the work of the League. Their hard work paid off and in total, over £5,500 (including gift aid) in donations was received.



Do you fancy coming to one of our events or perhaps volunteering? Maybe you want to know more about the League? Visit our website: www.lofkch.org.uk or contact Lynne on ekh-tr.leagueoffriends@nhs.net or 01227 864030. We'd love to hear from you. You can also follow our good news stories on Facebook and Instagram.

Gifts in Action

Despite another challenging year for our fundraising activities and trading conditions in our hospital shops, the League was still able to award new grants totalling £191,826 from Central funds to improve patient care at the Kent & Canterbury Hospital. In addition, our eight hard working city and village groups contributed a fantastic £52,404 in grants to purchase items benefitting hospital patients, staff and visitors. Some of the items identified below show how our funds were used in achieving our objectives.



Phlebotomy Chairs

Sometimes patients feel unwell or faint whilst undergoing blood tests and the phlebotomists have to lie them flat to keep them comfortable and safe. Hundreds of samples are taken every day in the busy outpatient pathology unit and both staff and patients can benefit from two new electronic phlebotomy chairs.

The League's gift has made life easier for the hard-working phlebotomists and safer for patients.

Comfy Couches for Dermatology

Three surgical couches have greatly improved life for patients and staff alike. They are a great improvement on the old fixed mechanical models. The couch moves to help position patients in comfort, flattens quickly and smoothly in an emergency and provides soft, wipe-clean comfort for patients who sometimes undergo prolonged procedures.



Ultrasound System

This £18K ultrasound system for Kent Ward has made a huge difference to staff and patients. It enables staff to accurately locate suitable veins, reducing failed blood tests and cannulation attempts.



Reclining Laser Chair

Eye Clinic patients can now sit in greater comfort and safety thanks to this new specialist reclining laser chair – the previous chair did not recline. The patient experience is greatly improved, especially for those undergoing retinal laser procedures.



Spreading a little festive cheer



“You have not been forgotten this Christmas” was the League’s message to patients in hospital over the festive period, including renal dialysis patients and those undergoing chemotherapy. Shop Manager, Matt, and Supervisor, Sam, spent several hours wrapping over 350 gifts in wipeable, Covid-safe bags, ready for Wards to collect. This was in addition to over 100 activity packs for children attending appointments over the festive period. Usually, annual gift wrapping is undertaken by a small army of willing volunteers but sadly this was not possible (again), due to the pandemic.

Kent and Clarke Wards are delighted with their six new dopplers which replace old, damaged machines. The devices are invaluable in locating pulses in patients following surgery, confirming adequate blood flow.



Turning beds

Two 15-degree turning beds are making a real difference to immobile patients, helping to prevent pressure sores and assisting with hygiene and skincare. They also reduce discomfort for patients and help prevent back injuries for nurses.

Raizer Emergency Lifting Chair

This is a simple device which assembles around a fallen patient and lifts them quickly and safely to a seated or semi-standing position. Lifting a fallen patient is a physically demanding task but this chair does the work for you, significantly reducing injuries to both staff and patients.



Grants awarded for Equipment during the year:

Ultrasound System	£ 69,489.42
Ultrasound System	£ 38,850.00
Micromed System	£ 26,000.00
Replacement Cell Salvage Machine	£ 21,000.00
MRI Capsule	£ 14,916.67
Treadwall Climbing Wall	£ 11,450.00
Pool Hoist/Stretcher & Chair	£ 11,356.08
Interactive Whiteboard	£ 7,545.00
Wheelchairs & Accessories	£ 5,427.00
2 x Turning Beds	£ 4,800.00
Reclining Laser Chair	£ 4,472.30
Raizer Emergency Lifting Chair/Trolley	£ 3,369.00
Blinds for Orthopaedic Ward	£ 3,180.00
Wall/Floor Stickers Dolphin Ward	£ 2,732.09
Dopplers for Clarke Ward	£ 2,486.45
Dopplers for Kent Ward	£ 2,486.45
Haemoglobin Monitoring Machines	£ 2,416.58
Cross Trainer for Physiotherapy Gym	£ 2,061.87
20 x Visitor Chairs/Kingston Ward	£ 1,659.84
2 x Vascular Dopplers	£ 1,007.83
Sweets for Dolphin Ward	£ 250.00
Weights, Squat Rack, Barbell for Physio Gym	£ 211.97
Xmas Gifts for Patients	£ 203.85

Looking forward/our plans for the future ...

Throughout 2020 and 2021 the NHS and our local East Kent Hospitals Trust have experienced unprecedented pressure on services due to the Covid-19 pandemic. Like all charities, the League of Friends (the League) has experienced restrictions on fundraising and normal activities but we have continued to support the patients and staff of the Kent and Canterbury Hospital (K&CH). During 2021, with the gradual lifting of restrictions and by adapting to Government guidelines, the League supporters have found innovative ways to raise funds. Examples include: house-to-house letter drops, posted quizzes, outside stalls, garden parties and shops' raffles.

During the year, the League has been fortunate to receive a number of legacies from grateful patients and families, although this varies greatly from year to year. The League will continue to ensure that these often large donations are used for projects in line with the donor families' wishes, where stipulated.

The Trustees regularly consider what emerging issues and potential problems they may need to address to ensure the League continues to meet its objectives and serve the community.

The League will continue to endeavour to increase not only the total value of the grants given but to ensure that the money is well spent, enhancing the care and treatment given to patients and supporting the wellbeing of staff.

The hospital shops form the business arm of our charity and the League continues to review policies, procedures and governance to ensure best practice. Footfall and takings have been steadily increasing following the temporary closure of the shops at the onset of the pandemic and new volunteers continue to join our enthusiastic team. As normal service has resumed, the benefits of the 2020 major refurbishment of the main shop, creating a modern and professional environment, has proved hugely beneficial for both staff and customers. On the back of this success, the refurbishment of the Outpatients and Fracture Clinic shops is being planned.

The Trustees continue to seek new ways to strengthen our team of volunteers and have undertaken to work more closely with the East Kent Hospitals University Foundation Trust to achieve this aim.

Our aims for the future include:

- continue to raise the profile of the League and fundraising in the community, working with the eight city and local village groups to help them succeed with their fundraising events.
- work with the Trust to maximise patient benefit by increasing the level of financial support to the Trust
- maintain the highest standards of governance and management and adhere to legislation and published best practice.
- register with the Fundraising Regulator and adhere to the Fundraising Code of Practice.
- demonstrate value for money from the resources invested while monitoring risk, to ensure it is maintained at a level commensurate with Charity legislation and guidelines.
- whatever the final configuration of the hospitals and services across East Kent in the future, the K&C Hospital will continue to have an important role and the League will continue to support the staff, patients and visitors to the K&C Hospital.
- continue to endeavour to reduce the League's carbon footprint by emailing documents to members wherever possible, opposed to printing and posting.
- the League can only achieve these plans with your support. Please go to our website for more information about our work and find out how to donate or become involved with our worthwhile charity: www.lofkch.org.uk

Financial Summary

Financial Review Summary

The figures stated below provide an overview and are drawn from the full Annual Accounts at the back of this report:

Income from all sources	: £766k
Voluntary contributions	: £141k
Expenditure totalled	: £794k
Grants to the Trust	: £244k
Governance & Administrative costs	: £40k
Income exceeded expenditure by	: £28k

The League held net assets of £781,805 as at 31 December 2021 (£810,016 in 2020).

The net assets of the League were reduced by £28,211 from the balance held at the end of the previous financial year.

Where our income came from

The League's main source of income comes from charitable activities, profit from the four shops, the generosity of the public who give donations as a thank you for the care they or their friends and family have received or in memory of loved ones, and in bequests and legacies from their estates.

Legacy income is unpredictable and can take time for the cash to be distributed to the League.

Throughout the year and despite the challenges faced, our city and local village groups have found imaginative ways to raise funds and between them, achieved an income of £48k, which is very much appreciated by the Trustees. The dedication and fundraising successes of our hard-working groups hugely contributes towards the support and additional facilities the League is able to provide to the K&C Hospital, making a real difference to patient care.

Due to the continuing economic climate, donation have remained consistent at £19k compared to previous year of £20k and legacies, where receipts are less predictable, were lower at £122k compared to £255k in 2020. We are still very pleased with the generosity shown to us through the 2021 figures.

Where we spent our funds

The League spends the funds received in accordance with charity law, its grant making policy and respecting the wishes of donors. Grants to the Trust made up 30% (2020:16%) of the total expenditure increasing from £81k in 2020 to £244k in 2021.

Gift applications increased during 2021 and the Trustees are hoping that this trend will continue so that we will be able to spend our reserves accordingly.

The Trustees are actively looking for a project or large piece of equipment to commemorate the charity's 70th Platinum Jubilee anniversary next year and the Trust has been asked to assist with identifying a suitable gift for the hospital.

Financial Summary (continued)

Grants are approved to achieve a benefit to the public (staff and the patients of the K&C Hospital together with visitors who use the services and facilities), which would not otherwise be possible within the constraints of the Trust's capital budgets.

Trustees consider each application on merit and aim to support technological advances in treatments by purchasing new and replacement medical equipment.

Projects also include new furniture, refurbishment of patient rooms and gardens.

The League provides a specific suite (Jubilee Suite) for families to enable them to stay close to a loved one whilst giving them time away from the ward, with facilities for a shower, rest and refreshments.

The League also provides services to patients and the public by way of our four hospital shops, a newspaper and refreshments ward trolley and a mobile ward library trolley.

A summary of the expenditure is given below:

Gifts to the Hospital	: £244k
Hospital Shops	: £509k
Governance & Administration	: £40k
Cost of Fundraising	: £1k

Structure, Governance & Management

The League of the Friends of the Kent and Canterbury Hospital Charitable Incorporated Organisation (CIO) is registered with the Charity Commission for England and Wales under charity number 1155088.

The charity was established by Constitution on 12 December 2013 and received all assets and liabilities under transfer from The League of Friends of the Kent and Canterbury Hospital – charity number 206925 on the 11 February 2014.

Charity number 206925 remains operative to receive any gifts left to it, but these are transferred to the CIO under the terms of the transfer agreement.

The objects of the Charity as stated in the Constitution document are: 'To relieve sickness and to preserve and protect good health for the public benefit by supporting the work of Kent and Canterbury Hospital by such means as the Trustees deem appropriate.'

The League CIO exists to raise and receive charitable donations to benefit the wards, departments and services provided by the East Kent Hospitals University NHS Foundation Trust at the Kent and Canterbury Hospital in Kent.

All income is recorded as 'unrestricted' unless a document which forms a legally binding Trust, eg, a Will, which identifies that the funds are to be used for a specific purpose and no other is received at the time of receipt.

There is currently one restricted legacy outstanding with an estimated value of £130k. Most legacies are given without reservation to benefit the League. There is also a contingent asset in respect of a new legacy where the value is not yet known and therefore presented as a contingent asset in the financial statements.

Under the constitution, the League's Trustees shall manage the affairs of the CIO and may for that purpose exercise all the powers of the CIO.

All the profits from the hospital League shops, donations, legacies, gift aid, group fundraising activities, proceeds from the Stamps and Collectibles Service, the joint annual Hospital Fair and investment interest provide our income, to be made available for the purchase of gifts to the Kent and Canterbury Hospital.

The Trustees

Trustees are the people legally responsible for having general control of the management and administration of the League of Friends of the Kent and Canterbury Hospital CIO.

Trustees are appointed in accordance with the League Constitution as at 12 December 2013. A maximum of sixteen Trustees may be appointed at any one time with a minimum of four in office. At the Annual General Meeting (AGM) one third of the Trustees must retire from office (on a rotation basis) and vacancies so arising may be filled by the decision of the members at the meeting.

Structure, Governance & Managements (continued)

In accordance with clause 13 of the constitution, one third of the charity trustees retired from office at the AGM in June, namely: Mr V Pritchard, Mrs L Coleman and Mrs J Reed. All the retiring Trustees agreed to stand for election and were re-elected unanimously.

For the year ended 31 December 2021 the Trustees were:

Dr C Irvine – Chairman	Mrs G M Morton
Mrs L Coleman – Vice Chair	Mrs J A Reed
Mr V E Pritchard – Hon Secretary	Mrs E W Gould
Mr A Collyer – Hon Treasurer	Miss C Blakemore
Mr R Bagley (appointed June AGM)	

Meetings

The Trustees meet regularly, 6 times a year and are supported by a salaried Charity Manager. Membership of the CIO is open to nominated persons from each of the eight local supporters' groups and from nominated persons from the services offered by the League.

The Trustees report to the wider membership at the Central Committee, which meets 5 times a year, and all nominated members are entitled to vote at this meeting. In advance of the Annual General Meeting, members receive the formal reports and audited accounts. Aside from the Annual General Meeting, the Central Committee's main purpose is to decide on the allocation of grants for gifts to the Hospital and individual local groups can pledge full or partial funding for specific gifts.

Groups

There are currently eight city and local village groups as follows:

Ash * Barham & Kingston * Canterbury South * Chartham * Nailbourne Rough Common, Harbledown & Blean * St Stephen's & St Dunstan's * Sturry

Our groups form the backbone of the League and meet regularly to plan and hold fundraising events. At Central Committee meetings, held five times a year, the groups agree to purchase specific items for the hospital, chosen from a list of requests from hospital wards and departments. The groups also make up many of the volunteers required to run the on-site hospital shops.

Fundraising during 2021 gradually increased following curtailed activities in 2020 due to the global pandemic and significant sums were raised. Whilst maintaining compliance with Government guidelines and ensuring social distancing, groups arranged a variety of successful, fun and well-supported events including: posted quizzes; door-to-door letter drops; jam making sold in the League shops; outside coffee and cake mornings; strawberry teas and plant sales.

Each League Group has its own Chair, Secretary and Treasurer as well as other members to manage its affairs and assist with fundraising. One of the charity's Trustees acts as Groups Liaison, attending their meetings and reporting to the Trustees on any issues, concerns and activities of the Groups.

The Groups prepare end of year financial statements which are then incorporated into the charity's Annual Accounts. Half-yearly returns are made to the treasurer to enable Gift Aid to be claimed from HMRC.

Library Trolley Service

The ward library trolley was unable to visit wards during 2021 due to the Covid-19 pandemic. In normal times, the service aims to undertake a daily ward round, offering patients a good selection of books and magazines on loan, and is even able to provide a pair of reading glasses, if required. Patients enjoy seeing a friendly face and if well enough, passing the time of day with our volunteers, even if they do not wish to take a book.

Collectibles Service



As a result of lockdown clear-outs and the continuing generosity of the public, the auction of donated used stamps, stamp albums, coins and other collectibles raised a fantastic £2,256.98 during the year – our best year to date. The service has gone from strength to strength thanks to a long-serving volunteer and his wife who diligently prepare mountains of stamps, plus other items, ready for auction.

Advisors

Regulating Body

Charity Commission for England and Wales
London

Registered Charity Number

1155088

Principal Office

Kent and Canterbury Hospital,
Ethelbert Road, Canterbury,
Kent CT1 3NG

Investment Managers

CCLA Investment Management Limited
80 Cheapside, London EC2V 6DZ

Bankers

National Westminster Bank PLC
11 The Parade, Canterbury, Kent CT1 2SG

Accountants and Auditors

Kreston Reeves LLP
Chartered Accountants Statutory Auditor
37 St Margaret's Street,
Canterbury, Kent CT1 2TU

Patron

The Lord Archbishop of Canterbury

President

The Lord Mayor of Canterbury

Finance Sub Committee

This Committee was established in 2016 as a separate committee to support the Trustees in Governance and Finance issues that require in-depth review and discussion and where immediate decisions are required prior to the next Trustees' meeting.

The Committee works under Terms of Reference set out in the Governance Policy, which was updated in September 2021 and reports directly to the Trustees at the next meeting, making recommendations and notifying them of any decisions and actions that may have been taken.

Terms of Reference are reviewed annually and updated where required to meet the changing needs of the League.

Meetings are held at least once a year and on an ad-hoc and/or via remote communication where necessary to ensure the best outcome for the League.

The members of the Finance Sub Committee are key Trustee Officers and meetings are chaired by the Hon. Treasurer or the Chairman where the Hon. Treasurer is unable to attend.

Members are:

- Chairman
- Vice Chairman
- Hon. Treasurer
- Hon. Secretary
- Shop Trustee
- Additional officers where appropriate

The Committee has the following specific duties and functions:

- Review investment strategies to maximise opportunities
- Review approval thresholds for expenditure from the League's funds
- Review and approve the annual report and accounts prior to submission to Trustees
- Review contracts relating to audit, banking and shop bookkeeping to ensure these remain competitive, meet legal and Charity Commission compliance.
- Authorise expenditure where immediate action is required to maximise benefit to the League.

Members are required to disclose all relevant interests at the start of meetings and withdraw from decisions when a conflict of interest arises.

Staff and Volunteers

The League is grateful for the unstinting efforts of its volunteers who are involved in fundraising activities, service provision through the League shops and the Library Trolley Service.

The League has an estimated 150 volunteers and members covering all aspects of the League's work. If each volunteer/member spends on average 3 hours per week volunteering, this equates to around 23,400 hours per year of voluntary work. If these volunteers were paid the real living wage of £9.50 per hour, then we estimate they give £222,300 worth of unpaid work per year to the hospital.

The League's hospital shops are manned by 11 paid staff including a full time Shops Manager and Deputy Manager, supported by volunteers.

Post pandemic, it is planned that both the Ward Mobile Library Service, run by volunteers, and the daily Ward Trolley Service (newspapers/refreshments/toiletries, etc), undertaken by paid staff, will re-commence.

Kreston Reeves acts as shops bookkeeper and the League is supported by a paid Charity Manager for administration.

Peninsula act as the charities HR advisor offering support to staff and trustees where required.

Total paid staff equates to circa 8wte. The League had a monthly average of 12 paid employees in 2021 (13 in 2020) at an annual cost of £193k (£210k in 2020).

Policies and Objectives

Grant making policy

The League accepts applications from the Kent and Canterbury Hospital staff for equipment, facilities and support for patient educational groups and projects as well as welfare requests in support of the NHS staff.

All the applications must have been processed through the rigorous East Kent Hospitals University NHS Foundation Trust procedures to ensure that any request meets the required standards and criteria of the Trust prior to being submitted to the League for consideration.

It is the responsibility of the Trust to ensure that the applications have been authorised under their procedures and that any equipment purchased by the League funds will be supported and used at the Kent and Canterbury Hospital for a minimum of three years.

Applications are reviewed by the Trustees to ascertain their suitability to meet the objectives of the League and to request any additional information from the Trust deemed necessary to enable them to make this decision.

The applicants are requested to attend a League Central Committee meeting to present their case in support of their request. This provides an opportunity for the members of the League's Groups to raise any issues and to decide if they wish to fully fund the equipment or to make a partial contribution.

The Trustees will commit Central Funds to meet any balance not met by the Groups to enable the equipment to be purchased.

Where the application is for medical equipment, the League requires a clinician to present the case for funding. A significant piece of equipment or project is deemed to be any single or joint purchase of over £15,000.

Where the applicant or Trust representative cannot, or fails to attend, the application will be deferred until the next meeting.

Grants agreed should be actioned within 3 months from approval. The League retains the right to cancel the grant if it has not been actioned.

The Trust will purchase the equipment and invoice the League once the supplier has been paid, providing a valid copy of the supplier's invoice in confirmation of purchase.

The League will arrange publicity presentations with the receiving department to promote the work of the League.

Risk statement

Throughout the year the Trustees actively review the risks which the League faces and take all reasonable steps to reduce and apply procedures to mitigate those risks.

Policies and Objectives (continued)

The main areas of risk have been identified within the following categories:

- Financial
- Governance
- Reputational

The Trustees have mitigated these risks by:

- Regular review of the financial procedures and systems
- Maintaining a diversified low-risk approach to cash holdings and investments
- Review of reserves to ensure there are sufficient resources in the event of adverse conditions arising to meet all legal obligations.
- Maintaining up-to-date financial records, governance, policies and training documentation and practices.
- Working with the Trust to understand the changes in strategic approach to delivery of services and the role of the League within these confines.
- Registering with the Fundraising Regulator
- Committing to the Charity Commission's Fraud Prevention Pledge

In the Trustees' opinion, all appropriate action has been taken to ensure the risks are mitigated.

Investment Powers

The investment powers are stated in the charity's Constitution as follows: "the power to deposit or invest funds, employ a professional fund-manager, and arrange for the investments or other property of the CIO to be held in the name of a nominee, in the same manner and subject to the same conditions as the trustees of a trust are permitted to do by the Trustee Act 2000.

Investment Objective

In view of the volatility in the share markets the Trustees retain all surplus funds in various cash holdings which provide immediate and notice access to funds to meet current and ongoing grants to the hospital to achieve the League's objectives.

Committed and non-committed funds are held in Charity Deposit accounts. It is important to maintain sufficient funds in instant access accounts to enable the League to meet all current and anticipated demand for grants (ie, gifts/equipment) to the Kent and Canterbury Hospital.

A significant sum of circa £96,000 has been maintained in the COIF account, managed by CCLA Investment Management Ltd, which has restrictions on access but pays interest.

Remaining cash is currently held with commercial banks. To minimise the risk as covered by the Financial Services Compensation Scheme (currently £85,000) the Trustees agreed to maintain a rolling programme of short-term deposits held in higher interest deposit accounts to maximise returns on surplus cash which is not ordinarily required by the League within a 12-month period.

Due to the increased activity in the purchase of equipment the Trustees agreed not to reinvest in a short-term deposit in 2021 as it is anticipated that the demand for cash will negate the need to invest further at this time. This will remain under review.

Interest rates have remained very low for the last few years and income from investments remain below historic levels and are not currently expected to increase in the foreseeable future.

Policies and Objectives (continued)

Unless the donor has expressed a specific request regarding investment, the investment of funds is in accordance with the Trustees Investment Act 1961.

Reserves Policy

Charity Reserves as defined under the Statement of Recommended Practice (SORP) FRS 102 2015 (1.1.48) are those funds which become available to the charity to be spent at the Trustees' discretion in furtherance of the charity's objectives, excluding funds which are spent or committed or could only be realised through the disposal of fixed assets. These are therefore classified as 'free'.

The Trustees recognise their obligation to ensure that income received by the League should be spent effectively and promptly in accordance with the charity's objects.

The Trustees have reviewed and revised their Reserves Policy and have determined that it is necessary to retain reserves over the longer term to:

- Reduce the impact of risks from the external environment should the levels of income reduce significantly
- Hold sufficient reserves to ensure the charity can cover its ongoing operational costs to process outstanding commitments.
- Meet the cost of closure or transfer of the charity's affairs should the need ever arise

The Trustees consider it prudent that a minimum reserve of £120,000 should be maintained. This sum is held to cover any known commitments to suppliers and provide sufficient funds to pay staff in the event of the Charity having to cease trading and to finalise its responsibilities.

Definition of Funds

Restricted Funds

Funds which are subject to specific trusts, eg, terms of will

Endowment Funds

Funds which are to be held as capital and only the income generated can be expended.

Unrestricted Funds

Funds which are expendable at the discretion of the Trustees, or designated in consideration of donors' wishes.

Designated Funds

Funds held for specific wards or services in consideration of approved grants (commitments) and/or donors' wishes. They do not form any binding Trust and can be transferred to general purpose funds at the discretion of the Trustees.

Policies and Objectives (continued)

At the 31 December 2021 the reserves held were identified as below:

Restricted funds	£130k
Unrestricted funds	£652k
Less Fixed assets	£41k
Less Stock	£16k
 Freely available reserves	 £595k

The level of reserves held at 31 December 2021 is higher than the minimum requirements set in the policy but this is partly because the cash from expected legacies has not yet been received. The accrued legacies total £410k which reduces the free cash reserves to £185k.

Although this is still higher than the policy minimum the Trustees are confident that the level of grants will fluctuate within the year and reserve levels will reflect these changes.

The Charity Manager is actively chasing departments to place orders when grants have been agreed as well as the Trust to send invoices to settle outstanding grants.

Covid-19

The Trustees are aware of the economic and social effects on the charity caused by the global pandemic and will continue to mitigate future risks by following Government guidelines and adapting its own internal strategy accordingly.

During the year the Government Furlough Scheme was used to the benefit of the Charity whilst retaining staff to ensure the day-to-day operation was able to continue within the imposed government restrictions.

Ukraine

The Trustees have considered the impact of the events in Ukraine with reference to how this may disrupt their business model, strategy and operations. It is noted that the company has no dealings with either Ukraine or any nation or individual currently experiencing sanctions because of the events in Ukraine. There is a worldwide impact on the cost of particular goods, to include fuel, which in turn has increased the base costs of consumables in the charity. The Trustees have considered the effect and believe that this will not significantly impact the ability to trade or continue as going concern.

Statement of Trustees' Responsibilities

The following pages show the financial accounts for the year ended 31 December 2021.

Statement of Trustees' responsibilities in respect of the Trustees' annual report and the financial statements

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

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period.

In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charity SORP 2019 (FRS 102)
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time, the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011 and the Charities (Accounts and Reports) Regulations 2008, and the provisions of the League's Constitution.

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. The Trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website.

As far as the Trustees are aware, there is no relevant audit information of which the League's auditors are unaware and the Trustees confirm that they have met the responsibilities set out above and complied with the requirements for preparing the accounts.

The financial statements attached have been compiled from and are in accordance with the financial records maintained by the Trustees. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

This report was approved by the Trustees on 23/05/2022 and signed on their behalf by:

Signed:



Dr Catriona Irvine
Chairman

Independent Auditor's Report

Issued to the Trustees of The League of Friends of the Kent & Canterbury Hospital CIO

Opinion

We have audited the financial Statements of The League of Friends of the Kent & Canterbury Hospital CIO (the 'charity') for the year ended 31st December 2021 which comprise the Statement of Financial Activities, the Balance Sheet, Statement of Cash Flow and notes to the financial statements, including a summary of 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 (FRS) 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 31st December 2021 and of its incoming resources and application of resources for the year then ended;
- Have been properly prepared in accordance with UK 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 charity 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 charity'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 Trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

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 set out on page 23, the trustees are responsible for the preparation of financial statements which 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 charity'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 liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditors responsibilities for the audit of the financial statements.

We have been appointed as Auditor under section 145 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The objectives of our audit are to identify and assess the risks of material misstatement of the financial statements due to fraud or error; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud or error; and to respond appropriately to those risks.

Based on our understanding of the Charity and industry, and through discussion with the trustees and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to health and safety and employment law. We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, Statement of Recommended Practice, and pension legislation. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related management bias in accounting estimates and judgemental areas of the financial statements such as the valuation of legacies. Audit procedures performed by the engagement team included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations (including health and safety) and fraud, and review of the reports made by management and internal audit; and
- Assessment of identified fraud risk factors; and
- Challenging assumptions and judgements made by management in its significant accounting estimates; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Reading minutes of meetings of those charged with governance, reviewing internal audit reports and reviewing correspondence with relevant tax and regulatory authorities; and

- Identifying and testing journal entries, in particular any manual entries made at the year end for financial statement preparation.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

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. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Kreston Reeves LLP
Statutory Auditor
Chartered Accountants
Canterbury

23 May 2022



Statement of Financial Activities

Statement of Financial Activities for the year ended 31 December 2021

				2021			2020
	Note	Unrestricted Funds	Restricted Funds	Total Funds	Unrestricted Funds	Restricted Funds	Total Funds
		£	£	£	£	£	£
Income from	2						
Donations and legacies		136,046	5,000	141,046	150,000	125,000	275,000
Charitable activities		528,034	0	528,034	308,173	0	308,173
Other trading activities		25,801	0	25,801	13,089	0	13,089
Investments		30	0	30	552	0	552
Government grants		54,944	0	54,944	99,009		99,009
Insurance claim		16,344	0	16,344			
Total Income	2	761,199	5,000	766,199	570,823	125,000	695,823
Expenditure	3						
Raising funds		1,344	0	1,344	861	0	861
Charitable Activities		793,066	0	793,066	515,025	0	515,025
Total expenditure	3	794,410	0	794,410	515,886	0	515,886
Net movement in funds before transfers		(33,211)	5,000	(28,211)	54,937	125,000	179,937
Transfer between funds	9	0	0	0	0	0	0
Reconciliation of funds:							
Total funds brought forward		685,016	125,000	810,016	630,079	0	630,079
Total Funds carried forward		651,805	130,000	781,805	685,016	125,000	810,016
The accompanying notes form an integral part of these financial statements.							
All activities relate to continuing operations.							

Balance Sheet

Balance Sheet as at 31 December 2021

Balance Sheet as at 31 December 2021				2021			2020
	Note	Unrestricted Funds	Restricted Funds	Total Funds	Unrestricted Funds	Restricted Funds	Total Funds
		£	£	£	£	£	£
Fixed Assets							
Tangible assets	4	41,042	0	41,042	45,757	0	45,757
Current Assets	5						
Stocks		15,754	0	15,754	10,439	0	10,439
Debtors	6	414,518	130,000	544,518	430,198	125,000	555,198
Cash at bank and in hand		473,021	0	473,021	337,643	0	337,643
Total Current Assets		903,293	130,000	1,033,293	778,280	125,000	903,280
Liabilities							
Creditors: Amounts falling due within one year	8	(292,530)	0	(292,530)	(139,021)	0	(139,021)
Total Net Current Assets		610,763	130,000	740,763	639,259	125,000	764,259
Total Net Assets	5	651,805	130,000	781,805	685,016	125,000	810,016
Total Funds		651,805	130,000	781,805	685,016	125,000	810,016
The financial statements were approved by the Trustees on 23 May 2022 and signed on their behalf by:							
Dr C Irvine, MBBS, FRCP Chairman							
Mrs L Coleman Vice Chair							
The accompanying notes form an integral part of these financial statements.							

Cash flow as at 31 December 2021

Cash Flow as at 31 December 2021			
	Note	2021	2020
		£	£
Net income/(expenditure) for the reporting period (as per the statement of financial activities)		(28,211)	179,937
Adjustments for: -			
Depreciation on assets		6,239	7,906
(Increase)/decrease in stocks		(5,315)	4,002
(Increase)/decrease in debtors		10,680	(253,152)
Increase/(decrease) in creditors		153,509	(94,370)
Net cash provided by/ (used in) operating activities		136,902	(155,677)
Net cash provided by /(used in) investing activities:			
Net cash used to purchase of tangible fixed assets		(1,524)	(31,186)
Change in cash and cash equivalents in the year		135,378	(186,863)
Cash and cash equivalents at the beginning of the reporting period		337,643	524,506
Cash and cash equivalents at the end of the reporting period (c/fwd)		473,021	337,643

Notes to the financial statements for the year ended 31 December 2021

The League of Friends of the Kent and Canterbury Hospital CIO is a charitable incorporated organisation, domiciled in England and Wales, registration number 1155088. The principal office is at Kent and Canterbury Hospital, Ethelbert Road, Canterbury, Kent, CT1 3NG. The accounts are presented in pounds sterling and rounded to the nearest pound.

Principal accounting policies

1.1 Basis of preparation

The financial statements have been prepared under the historic cost convention, with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the Charities Act 2011 and have only 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 Statement of Recommended Practice 2019 (SORP) 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 League of Friends of the Kent and Canterbury Hospital CIO constitutes a public benefit entity as defined by FRS 102.

The functional and presentation currency is Pounds Sterling. The financial statements are presented to the nearest Pound.

1.2 Going concern

The Trustees have a reasonable expectation that the League has adequate resources to continue in operational existence for the foreseeable future and are unaware of any material uncertainties facing the charity that could impact on this conclusion. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

1.3 Incoming Resources

All incoming resources are recognised once the League has evidence of entitlement and it is probable (more likely than not) that the resources will be received and the monetary value can be measured with sufficient reliability.

It is not the charity's policy to defer income.

All income is considered to be Unrestricted, which are available for use at the discretion of the Trustees in furtherance of the general objectives of the League unless there is a legally binding Trust, such as a Will or Deed, or when the League has raised funds for a publicly stated specific purpose. Those funds with such documents will be recognised as Restricted in the accounts until such time as they are either spent, or can no longer be used for the purpose for which they were given. In such cases the donors will be contacted to request a change of purpose or return of funds, or where they become too small a value to achieve the initial purpose, they will be transferred to general funds in furtherance of the League's objectives.

Principal accounting policies (continued)

Designated (unrestricted) funds comprise funds that have been set aside by the Trustees for particular purposes. These purposes are, in the main, for the provision of gifts to the Trust. The Trustees may return these funds for general purposes at their discretion.

Where there are terms or conditions attached to the incoming resource (particularly grants) then these must be met before the income is recognised as the entitlement will not be evidenced, or where there is uncertainty that the conditions can be met, then the income is not recognised in the year. It is not the charity's policy to defer income even where a pre-condition for use is imposed.

Legacies are accounted for as incoming resource either on receipt or where the receipt of the legacy is probable.

Receipt is probable when:

- Confirmation has been received from the representatives of the estate(s) that probate has been granted
- The executors have established that there are sufficient assets in the estate to pay the legacy and
- All conditions attached to the legacy have been fulfilled or are within the charity's control
- Where the amount of the legacy can be reliably estimated.
- Legacies which are subject to a life interest party are not recognised.

Where legacies have been notified to the League, or are aware of the granting of probate, but that a reliable estimate cannot be identified, then the legacy is shown as a contingent asset and disclosed if material.

Fundraising income is shown gross.

Income from the shops operated by the League is accounted for when earned.

Investment income is recognised at the time the investment income is received.

Insurance income is recognised upon receipt of confirmation of payout.

Government grants are recognised using the accrual model. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable

Gifts in kind are valued at a reasonable estimate of their value to the Charity. Gifts donated for resale are included as income either when they are sold or at the estimated resale value after deduction of the cost to sell the goods.

1.4 Intangible Income

The value of services rendered by volunteers is not incorporated in these accounts, but it is recognised that the intangible value of volunteers far outstrips any financial worth that may be attributed to their service.

Principal accounting policies (continued)

1.5 Resources expended

Expenditure is recognised once there is a legal or constructive obligation to make payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated to the applicable expenditure headings.

Support costs are those costs incurred directly in support of expenditure on the objects of the League. These are allocated on a time spent basis.

Governance costs are those incurred in connection with administration of the League and compliance with constitutional and statutory requirements.

The cost of charitable activities comprises both the shops' expenditure and the value of gifts made to the Kent and Canterbury Hospital. Such gifts are recognised when the League has committed itself to the expenditure and this has been communicated to the hospital.

The League does not make grants to individuals. All grants are made to the Trust to provide for the care of NHS patients in furtherance of its charitable aims.

Liabilities are recognised as and when an obligation arises to transfer economic benefits as a result of past transactions or events.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

1.6 Tangible Fixed assets

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful life on the following basis: -

- Computers – 33% Straight line
- Shop Improvements – 5% Reducing balance
- Fittings & equipment – 20% Reducing Balance – all areas

1.7 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.

1.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

[Principal accounting policies \(continued\)](#)

1.9 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.

1.10 Creditors and provisions

Creditors and provisions are recognised where the League has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Grant commitments are only recognised when the League has committed itself to the expenditure and this has been communicated to the hospital.

1.11 Judgement in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires the Trustees to make judgements, estimates and assumptions that can affect the amounts reported for assets and liabilities and the results for the year.

The nature of estimation is such though that actual outcomes could differ significantly from those estimates.

Estimates for legacies have been made based on the information provided by the solicitors of the estates. The trustees believe this is the best source of information to make the estimate of value, but accept that there may be changes from expectation.

1.12 Charity Tax

The League of Friends of the Kent and Canterbury Hospital CIO is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable trust for UK income tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Part 10 Income Tax Act 2007 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2 Income from

Voluntary income	Unrestricted	Restricted	Total 2021	Unrestricted	Restricted	Total 2020
Donations	19,121	0	19,121	20,234	0	20,234
Legacies	116,925	5,000	121,925	129,766	125,000	254,766
Total Donations and Legacies	136,046	5,000	141,046	150,000	125,000	275,000
Charitable Activities						
Shops and Trolleys	528,034	0	528,034	308,173	0	308,173
Other Trading Activities:						
Groups	18,656	0	18,656	13,089	0	13,089
Charity raffle	7,145	0	7,145	0	0	0
Total Other Trading Activities	25,801	0	25,801	13,089	0	13,089
Investment:						
Bank Interest – deposit accounts	24	0	24	157	0	157
COIF Deposit Interest	6	0	6	395	0	395
Total Investment income	30	0	30	552	0	552
Insurance claim	16,344	0	16,344	0	0	0
Government grants	54,944	0	54,944	99,009	0	99,009
Total incoming resources	761,199	5,000	766,199	570,823	125,000	695,823

3 Expenditure on

Raising funds	Unrestricted	Restricted	Total 2021	Unrestricted	Restricted	Total 2020
Summer Fair including Grand Draw Tickets and prizes	0	0	0	252	0	252
Other fundraising costs	1,344	0	1,344	609	0	609
Total Costs of Raising Funds	1,344	0	1,344	861	0	861
Charitable activities:						
Hospital shops						
Shop and trolley purchases	304,297	0	304,297	177,165	0	177,165
Sundry purchases	1,668	0	1,668	1,220	0	1,220
Other direct costs	32,400	0	32,400	27,287	0	27,287
Shop staff wages	164,419	0	164,419	180,960	0	180,960
Depreciation of tangible fixed assets	6,210	0	6,210	7,870	0	7,870
Total shop expenditure	508,994	0	508,994	394,502	0	394,052
Gifts to the Kent & Canterbury Hospital						
Central	191,826	0	191,826	41,925	0	41,925
Groups	52,404	0	52,404	39,100	0	39,100
Total cost of Gifts	244,230	0	244,230	81,025	0	81,025
Support and Governance Costs						
Secretarial fees	28,520	0	28,520	28,561	0	28,561
Depreciation of tangible fixed assets	29	0	29	36	0	36
Sundry purchases	8,806	0	8,806	8,014	0	8,014
Other direct costs	17	0	17	7	0	7
Auditors' remuneration	2,470	0	2,470	2,880	0	2,880
Total Support and Governance Costs	39,842	0	39,842	39,498	0	39,498
Total Expenditure	794,410	0	794,410	515,886	0	515,886

4 Analysis of tangible fixed assets

	Fittings/ Equipment Central	Computer Equipment Central	Total 2021 Central	Fittings/ Equipment Hospital Shops	Improvements – Hospital Shops	Total 2021 Shops	Total 2021
Cost							
At 01 January 2021	2,104	1,490	3,594	64,738	28,281	93,019	96,613
Additions	0	0	0	1,524	0	1,524	1,524
Disposals	0	0	0	0	0	0	0
At 31 December 2021	2,104	1,490	3,594	66,262	28,281	94,543	98,137
Depreciation:							
At 01 January 2021	(1,954)	(1,490)	(3,444)	(40,452)	(6,960)	(47,412)	(50,856)
Charge for the year	(29)	0	(29)	(5,146)	(1,064)	(6,210)	(6,239)
On disposals	0	0	0	0	0	0	0
At 31 December 2021	(1,983)	(1,490)	(3,473)	(45,598)	(8,024)	(53,622)	(57,095)
Net book value:							
At 31 December 2021	121	0	121	20,664	20,257	40,921	41,042
At 31 December 2020	150	0	150	24,286	21,321	45,607	45,757

5 Analysis of net assets between funds

Analysis of net assets between funds	Unrestricted	Restricted	Total 2021	Unrestricted	Restricted	Total 2020
Tangible Fixed Assets	41,042	0	41,042	45,757	0	45,757
Current Assets:						
Cash in hand	473,021	0	337,643	337,643	0	337,643
Stocks – Goods for resale	15,754	0	15,754	10,439	0	10,439
Debtors – Gift Aid	3,703	0	3,703	2,430	0	2,430
Debtors – Legacies	409,761	130,000	539,761	424,939	125,000	549,939
Debtors - others	1,054	0	1,054	2,829	0	2,829
Total Current Assets	903,293	130,000	1,033,293	778,280	125,000	903,280
Creditors due within 1 year:						
Trade – Shops	(31,455)	0	(31,455)	(14,678)	0	(14,678)
Gifts for Hospital	(258,605)	0	(258,606)	(118,898)	0	(118,898)
Other creditors	(2,470)	0	(2,470)	(5,445)	0	(5,445)
Total Creditors	(292,530)	0	(292,530)	(139,021)	0	(139,021)
Total Net Assets	651,805	130,000	781,805	685,016	125,000	810,016

6 Analysis of Debtors

Analysis of Debtors due within 1 year	Unrestricted	Restricted	Total 2021	Unrestricted	Restricted	Total 2020
Legacies	409,761	130,000	539,761	424,939	125,000	549,939
Other	1,054	0	1,054	2,829	0	2,829
Gift Aid - Central	3,703	0	3,703	2,430	0	2,430
Gift Aid - Groups	0	0	0	0	0	0
Total Debtors	414,518	130,000	544,518	430,198	125,000	555,198

7 Contingent assets

The trustees have been made aware of the existence of another legacy due to the charity. The estate is still being reviewed by the estate's solicitor's and we have not yet been made aware of the value receivable. As a result, no asset has been recognised in the financial statements.

8 Analysis of Creditors

Analysis of Creditors due within 1 year	Unrestricted	Restricted	Total 2021	Unrestricted	Restricted	Total 2020
Trade (shop purchases for resale)	24,717	0	24,717	14,678	0	14,678
Other Creditors						
Other creditors - VAT	4,255	0	4,255	0	0	0
Total Other Creditors	4,255	0	4,255	0	0	0
Accruals:						
Accountancy/Bookkeeping/Stocktake	2,483	0	2,483	3,873	0	3,873
Auditors	2,470	0	2,470	1,572	0	1,572
Commitment of Gifts to the Hospital	258,605	0	258,605	118,898	0	118,898
Total Accruals	263,588	0	263,588	124,343	0	124,343
Total Creditors	292,530	0	292,530	139,021	0	139,021

9 Transfer of Funds

The Trustees review all unrestricted and restricted funds to ensure that there is a need and can meet the criteria for its purposes. No funds were transferred or reclassified in the reported year (NIL in 2020)

10 Related Party Transactions

No trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity during the year (2020 – Nil).

11 Staff Costs and Trustee remuneration

The average monthly number of employees was 12 (13 in 2020). For the first 4 months of the prior year The East Kent Hospitals University NHS Foundation Trust paid the staff costs on behalf of the League, which are then reimbursed. The amounts reimbursed for the 4 months amount to £75,389. For 2021 the charity has ran its own payroll through a professional advisor for the full period.

The total staff costs and employees' benefits was as follows: -

	2021	2020
Gross wages	£181,871	£196,075
Employer's National Insurance	£7,867	£8,895
Employer's pension contributions	£3,201	£4,551

No employee received remuneration amounting to more than £60,000 in either year. None of the Trustees have received any remuneration or benefits in kind from the League for their work in this financial year whilst undertaking their responsibilities for the Charity (2020 None).

11 Staff Costs and Trustee remuneration (continued)

No Trustees received reimbursement of expenses in the current year (2020 Nil).

12 Covid 19

At the time of signing the accounts the Trustees are aware of the potential economic and social effects of the Covid-19 virus outbreak has had on 2021. Although we cannot be sure whether there will be further impact, the government have mapped the route out of lockdown and we are comfortable that we have an appropriate financial plan in place for the shop going forward. If there is an unforeseen further Covid impact then the charity will continue to seek to mitigate this risk by following the UK Government's guidelines and adapting/developing its own internal strategy.