THE MEDWAY LEAGUE OF FRIENDS

England & Wales · Charity number 1172065

Details

Other names	MEDWAY LEAGUE OF FRIENDS
Status	Registered
Legal form	CIO
Registered	2017-03-15
Register	View on the Charity Commission register

Contact

Address	Medway Maritime Hospital Windmill Road Gillingham ME7 5NY
Phone	01634974160
Email	enquiries@medwayleagueoffriends.org.uk
Website	medwayleagueoffriends.org.uk

Activities

Objects: THE OBJECTS OF THIS CIO ARE THE RELIEF OF SICKNESS AND THE PROMOTION OF THE GOOD HEALTH AND WELLBEING OF PATIENTS OF NHS SERVICES IN MEDWAY, IN PARTICULAR THE PATIENTS OF THE MEDWAY MARITIME HOSPITAL TRUST, THROUGH THE PROVISION OF GRANTS, ITEMS AND SERVICES, FUNDED WHERE POSSIBLE BY THE WORK OF VOLUNTEERS.

Activities: The objects of this Charitable Incorporated Organisation are the relief of sickness and the promotion of good health and wellbeing of patients of NHS services in Medway. It began operating on 1 August 2018, taking over from the Unincorporated Charity (Registered Number 240562) which carried out the same function previously.

Classification

- **How:** Makes Grants To Organisations
- **What:** Disability, Other Charitable Purposes
- **Who:** The General Public/mankind

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Geography

- Kent

Finances

Period end	Income	Expenditure	Assets	Employees
2025-07-31	£2,067,742	£2,227,490	£729,437	26
2024-07-31	£1,935,388	£1,956,137	£889,185	25
2023-07-31	£1,487,319	£1,404,154	£909,934	17
2022-07-31	£1,305,552	£1,292,353	£826,769	16
2021-07-31	£694,526	£782,850	£813,570	14
2020-07-31	£1,468,081	£1,462,222	£901,894	18

Trustees

Name	Role	Appointed
JANET HARSENT	Chair	2018-08-01
COLIN SILK		2018-08-01
Daniella Peers		2021-12-02
EUNICE NORMAN		2018-08-01
Glynis Jane McCollum		2025-10-21
Helen Belcher		2018-08-01
MARION COGGER		2018-08-01
Martin Bell		2024-01-17
STEPHEN TOWSEY		2018-08-01
Stephen Clark		2023-12-01
Stephen Dansie		2022-02-09

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THE MEDWAY LEAGUE OF FRIENDS

England & Wales - Charity number 1172065

Accounts

THE MEDWAY LEAGUE OF FRIENDS

CHARITY REGISTRATION NO: 1172065

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2025

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THE MEDWAY LEAGUE OF FRIENDS
TRUSTEES' REPORT

The trustees present their eighth report with the financial statements of the charity for the year ended 31 July 2025.

ADMINISTRATIVE DETAILS

Charity registration number	1172065	
Principal address	Medway Maritime Hospital Windmill Road Gillingham Kent ME7 5NY	
Trustees	S Clark	- president
	Mrs J Harsent	- chairperson
	Mrs E Norman	
	S Towsey	
	C H Silk	
	Mrs M Cogger	
	Ms H Belcher	
	S Dansie	
	Ms D Peers	
	M Bell	
	Ms G J McCollum	- appointed 21 October 2025
	T Higgins	- resigned 25 June 2025
Auditors	Kreston Reeves Audit LLP 2nd floor, Maritime Place Quayside Chatham Maritime Chatham Kent, ME4 4QZ	
Bankers	Lloyds Bank plc 142-146 High Street Chatham Kent, ME4 4DQ	

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The charity is a charitable incorporated organisation registered with the Charities Commission on 15 March 2017 and governed by its constitution adopted 8 March 2017.

Appointment of Trustees

Trustees are appointed by the members at the annual general meeting and their number shall not be less than four. New Trustees would require some experience of the sector in which the charity operates and be appropriate for the League.

THE MEDWAY LEAGUE OF FRIENDS
TRUSTEES' REPORT

Organisation and Decisions

The Trustees meet at least four times a year to manage the League's affairs. In the 2024/25 year the Trustees met eight times, all in person. This Committee consists of a Chairman, Vice Chairman, Treasurer and Secretary and between one and eleven other persons. No person shall be a member of the Committee who is not a member of the League itself.

The Committee are assisted by managers and organisers of the League's shop and a representative of the Medway NHS Foundation Trust. An operations manager has day to day control over its employed staff and the many volunteers.

Affiliations

The League is a member of Attend, which exists to promote and develop the role of volunteers in our health and social services throughout the UK.

OBJECTIVES AND ACTIVITIES

Objectives

The objects of the charity are the relief of sickness and the promotion of the good health and wellbeing of patients of NHS services in Medway, in particular the patients of the Medway Maritime Hospital Trust, through the provision of grants, items and services, funded where possible by the work of volunteers.

Public Benefit

In accordance with the Charities Acts and Regulations, the trustees have had due regard to the guidance published by the Charity Commission on the requirement that the objectives and work undertaken by the League are in line with charitable objects and do provide benefit for the public.

In 2018, the charity took over the activities previously carried on by the 'Medway League of Friends' whose original aim was to provide those 'little extras' for patients and staff in the then local hospitals (mainly the Medway Maritime Hospital but also at Wainscott) that the NHS cannot always provide.

Over time those 'little extras' have turned into vital pieces of medical equipment, furniture and other amenities. The difference, that the charity intends to continue through its activities, is to help speed patients' recovery and get them back to their homes and loved ones and to do this wherever possible though the services of volunteers from the community.

Aims and Activities

The main objective for the year under review was to continue the provision of services and generation of funds through sales at the League's First Rate shop and café at the Medway Maritime Hospital.

The Shop incorporates a night service facility from 9 p.m. until 7 a.m., so that patients, visitors and hospital staff can get a snack or hot drink.

There is also a small retail outlet in a care home in Wainscott serving the residents, who are all NHS patients.

Hospital Radio Medway is a part of the League, and broadcasts 24 hours of programmes each and every day, including record requests, themed music and items of local interest to the patients.

The League makes significant use of volunteers in the course of undertaking its charitable and income generating activities. The volunteers carry out many of the duties required to operate the shop. During the year under review the League continued to connect with the community by providing Work Experience placements to school and college students and to Duke of Edinburgh Award candidates. Some young people choose to stay on as volunteers after their placement ends. The League has also established a link to a local employment agency to offer work experience to people wanting to get back into employment. Basic training courses are offered to acquire certified skills to take forward. Volunteers are encouraged to take the courses on offer.

THE MEDWAY LEAGUE OF FRIENDS
TRUSTEES' REPORT

Impact Statement

The League devotes all its surplus funds to grants to the NHS. This year 2024/25 was very successful, enabling the League to pay 32 grants totalling £365,455. A further 7 grants totalling £101,156 were approved but not paid before the year end making a grand total of £466,611.

The impact of the grants paid by the League is illustrated here:

3 x PATIENT MONITORS, ENDOSCOPY - £16,497
The Manager of the Endoscopy Unit approached the League to ask for support to fund the purchase of 3 patient monitors for the unit. Information was provided that the current monitor was old and required replacement as it was proving to be unreliable and could no longer be serviced. Therefore, a replacement was being sought plus two other monitors to meet the increasing demands on the service including a new mobile unit on site. These patient monitors are used to regularly review patients whilst they are in the unit.



Impact Statement:
The Endoscopy Consultant advised: "Thank you for sourcing these monitors. It is very important for us to provide the best possible care to our patients. Undergoing upper and lower gastrointestinal endoscopy is not nice. We strive to give appropriate level of sedation to those who require it. Unfortunately, endoscopy in general and sedation in particular is not without risks. With these new monitors patient safety is greatly increased and will improve the patient experience."



ACCUVEIN MACHINE - HARVEY WARD - £4,775
Staff on Harvey Ward asked the League to consider their bid for an Accuvein machine for their patients. The majority of patients on this Orthopaedic Ward are 80 years and above and often they are frail, so it is difficult for staff trying to obtain bloods and/or cannulate patients prior to surgery as their veins are not always easy to find. For many patients, it is important to be able to start IV therapy on time but with an Accuvein machine staff are able to cannulate unwell or dehydrated patients, and give them a chance to recover more quickly. The Accuvein machine uses an infrared light to detect veins under the skin.

Impact Statement:
The Clinical Sister on Harvey Ward thanked the League for supporting their bid and added: 'Accuvein machines are vital when staff need to obtain bloods from a patient or cannulate them during their stay on the ward, and to be able to identify veins without any delays or stress to the patient."

NERVE STIMULATOR – THEATRES - £25,426
A capital bid was received by the League to fund a nerve stimulator for Theatres. This equipment is a valuable tool used during head and neck surgeries to help surgeons identify and monitor critical nerves, such as the facial nerve, recurrent laryngeal nerve (the nerve which controls the voice) and others, ensuring they remain intact during procedures. By having real time information on the nerve activity, this reduces the risk of damaging those nerves. For patients this means a lower likelihood of post-operative complications such as paralysis (difficulty moving the face), difficulty in speaking, or feeling sensations. It also helps improve surgical outcomes, speeds up recovery and leads to better results for our patients, ultimately contributing to a better quality of life for patients after surgery.



Impact Statement:
The Senior Sister in Theatres wrote, "On behalf of the entire surgical team and our patients, I would like to express our heartfelt gratitude for your generous funding. Your support has made a significant impact on the quality and safety of the surgeries we perform, helping us to protect vital nerves and improve outcomes for our patients."

THE MEDWAY LEAGUE OF FRIENDS
TRUSTEES' REPORT



LASER SYSTEM FOR UROLOGY - £10,975
A request was received from the Service Manager for Urology for a new laser system for treating bladder tumours. TULA – Trans Urethral Laser Ablation – is a procedure which uses a laser to remove abnormal tissue in the bladder typically for treating bladder cancer or recurrent tumours. The laser does not require the patient to be put under anaesthetic which result in a quicker recovery period and better outcome for the patient.

Impact Statement:
The Urology Team thanked the League for their generous support to fund this equipment which will be of great benefit to patients attending the department and provide a quicker recovery period and better outcome from their treatment.

TILT-IN-SPACE WHEELCHAIRS - £2,628
The Therapy Assistant Practitioner in the Stroke/Neurotherapy Department approached the League to ask for support to fund four Tilt-in-Space wheelchairs for her department. She explained these chairs are essential for patients with neurological conditions who do not have independent sitting balance so are unable to sit in a normal armchair or wheelchair. Unfortunately, such patients have had to remain in bed which severely impacts their recovery and mental well-being and prior to admission they will have experienced conditions such as spinal injury, stroke, brain injury resulting in the need to remain in hospital for a prolonged period of time whilst awaiting on-going rehab. With these wheelchairs, patients would have improve respiratory function, enabling them to sit out daily for their meals, be taken outside by staff or relatives and strengthen their core which would positively impact on their recovery.

Impact Statement:
The Manager thanked the League for their support and added: 'We are so happy to have these tilt-in-space chairs which will make a massive difference to the quality of neurotherapy service to our patients. By making such a relatively small change through using this new equipment, can make a big difference to their care."





PATIENT MONITORS FOR DELIVERY SUITE x 4 - £50,557
A capital bid was received from the Manager of the Delivery Suite for four patient monitors particularly for use with high-risk patients in the delivery suite. The safe and effective monitoring of such patients reduces the number of admissions to ITU as a patient's condition can be constantly checked and action immediately taken on any changes. Similarly, the monitor provides safe and effective support to stabilise patients before transfer to Critical Care facilities outside the Maternity Unit.

Impact Statement:
Staff in the Delivery Suite thanked the League for their generous support and added that the equipment will improve the monitoring they are able to undertake on their patients.

Donations

The League's income is supplemented by donations. These totalled £8,138 including those for Hospital Radio.

Achievements

The League of Friends

In spite of challenging trading conditions the First Rate Shop and Café has performed well, generating increased takings for donations to the hospital. An on-line ordering service has been introduced to enable in-patients to order goods that will be delivered to them.

New volunteers have been recruited to cope with the increased demands of the shop and café.

THE MEDWAY LEAGUE OF FRIENDS
TRUSTEES' REPORT

Hospital Radio Medway ("HRM")

Hospital Radio Medway forms part of The Medway League of Friends and is run entirely by Volunteers. With recent successful recruitment the Station can run more variety in the types of music available, including live programmes. But the main focus remains the daily programme consisting of requests for the Patients and Staff. Information regarding charities and local interest items, including live interviews, also forms an integral part of the programming. HRM's licence with Ofcom was successfully renewed without any issues.

Progress against objectives

Progress on the objectives which the Trustees set for 2024/25 was as follows:

1 Resume regular grants
Achieved with an increases number of grants being made to wards and hospital departments. The total of £365,455 makes it one of our best years to date.

2 Explore new retail opportunities
The League will be taking up the opportunity to provide a retail outlet in Sheppey Community Hospital to replace a small shop which closed on 31 July 2025.

3 Increase efficiency of retail operations
The efficiency of the retail operation has been kept under review to identify areas for improvement. Suppliers and prices have been kept under continual review and changes made when necessary

The employment of a security guard has deterred shoplifters and reassured volunteers. The office area has been reorganised to improve efficiency.

4 Enhance communications
League trustees will continue to meet regularly with the Trust CEO and Chair to establish priorities and discuss areas of common interest. Talks to local groups in Medway continued. A volunteer mans a small stall promoting the League's activities and encouraging volunteers to sign up at local events. League information is displayed on the two screens in the foyer. The League continues to use the Hospital Trust's newsletters and social media to publicise the League and Hospital Radio.

5 Develop staff and encourage volunteers
Staff are appraised annually using a format that recognises achievement and sets challenging and realistic agreed goals for the next year. Training needs are a/so identified and addressed.

Star Awards are awarded to nominated volunteers twice yearly, at the Summer Tea Party and Xmas lunch, along with any Long Service awards. Volunteers are encouraged to take advantage of the certified training courses that are available.

6 Improve the governance of the League
Policies continue to be reviewed regularly. The risk register has been updated . The annual Internal financial review has taken place.

7 Mitigate the environmental impact of the League's operations
As a result of data submitted to Carbon Neutral Britain Ltd in 2023 the League has been certified as a Carbon Neutral Organisation. A new assessment took place in July 2025. The League approved and adopted a Sustainability Policy in July 2024 that will be reviewed in June 2027. The League complies with legislation banning all single use plastics in its operation.

Objectives 2025/26

Many of the 2024/25 Objectives of the League related to continuing activities and have been renewed for 2025/26. The full list set by the Trustees is:

1 Increase regular grants and continue to seek requests from wards and departments for equipment, etc, to support our Purpose.
2 To explore new retail opportunities both within the hospital and externally
3 Increase efficiency of retail operations
4 Enhance communications
5 Develop staff and volunteers
6 Improve governance
7 Mitigate environmental impact

There are specific goals for these Objectives. Responsibility for each of the latter is assigned to an individual Trustee, and progress is regularly reviewed at Trustees' meetings.

In addition Hospital Radio Medway has objectives of its own. These are:

1 Continue to provide a service to patients and staff at Medway Hospital.
2 Increase the number and variety of programmes available.

FINANCIAL REVIEW

Review of the Financial Position

The financial position is set out in detail on pages 10 to 18. The main highlights are that income from the charity's main activity operating shops and a café has exceeded £2m, net of VAT. This is up 6.5% over the previous year. Gross margins were improved too, from 41.4% to 43.3%.

The increase in business has led to a contribution from the shops and café of £296,932 (2024 : £261,434). With grants to the Medway NHS Foundation Trust totalling £466,611, there was a deficit of £159,748. But this still leaves the charity's net assets at the end of the year at £729,437.

The year saw the final expenditure on the shop refurbishment of £54,912. Cash and cash equivalents decreased from £637,924 to a still healthy £580,140.

Going Concern

The Trustees reviewed the position (2 September 2025) and concluded that The Medway League of Friends remained a Going Concern for the coming financial year.

Restricted funds

There are restricted funds for Hospital Radio, which are explained in the notes to the financial statements.

Reserves Policy

Designated Reserves total £452,300, down from £525,926 last year. Monies spent on the structure of the shop are being depreciated over the length of the lease granted to the League by the Hospital, and as such the net book value of £302,300 is regarded as continuing Designated reserves. An additional £150,000 is set aside for further developments and a provision for costs in the event of business interruption.

Designated reserves had in previous years included sums committed by the Trustees for grant making to the Hospital for specific projects and /or assets. This is no longer the case as such commitments are included in creditors at the year end, which total £101,156.

All remaining surplus funds will be utilised for the benefit of the Hospital and Medway NHS patients.

Auditors

The audit registration of Kreston Reeves LLP was transferred to Kreston Reeves Audit LLP on 6 October 2025. Kreston Reeves Audit LLP were formally appointed as auditor to the company on 6 October 2025.

Trustees' Responsibilities

The trustees are responsible for preparing the Report of the Trustees 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 Charities SORP;
- make judgements 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

Approved by the trustees on 24 April 2026 and signed on their behalf

Jan Harsent

Mrs J Harsent, Chairperson

INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF
THE MEDWAY LEAGUE OF FRIENDS

Opinion

We have audited the financial statements of The Medway League of Friends (the 'charity') for the year ended 31 July 2025, which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes, 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 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting practice).

The financial statements have been prepared in accordance with 'Accounting and Reporting by Charities' preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2019.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs at 31 July 2025 and of its income and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis of 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 Auditors 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 United Kingdom, including the Financial Reporting Council'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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees' have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the 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 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 of 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 where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities statement, 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, of have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

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

Capability of the audit in detecting irregularities, including fraud

Based on our understanding of the Charity and the sector as a whole, 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, anti-bribery 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 Charities SORP (FRS 102) Second Edition (released October 2019), and other relevant charity legislation. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. We evaluated Trustees' and 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 related to and determined that the principal risks were related to posting inappropriate journal entries to increase revenue or reduce expenditure and management bias in accounting estimates and judgemental areas of the financial statements. Audit procedures performed by the engagement team

- discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations and fraud; and
- challenging assumptions and judgements made by management in its significant accounting estimates; and
- performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; 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

Auditor's responsibilities for the audit of the financial statements (continued)

- review of significant and unusual transactions and evaluation of the underlying financial rationale supporting the transactions; and
- identifying and testing journal entries, in particular any manual entries made at the year-end for financial statement preparation.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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 of 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 my 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 my 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 represent the underlying transactions and events in a matter 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 its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Kreston Reeves Audit LLP
Statutory Auditor
Chatham

Date: 15 May 2026

Kreston Reeves Audit LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

THE MEDWAY LEAGUE OF FRIENDS
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JULY 2025

	Notes	Unrestricted fund £	Restricted funds £	Total 2025 £	Total 2024 £
INCOME AND ENDOWMENTS					
Donations and legacies					
- Donations		8,138	-	8,138	5,794
- Grants		750	2,500	3,250	1,150
Fundraising		4,371	-	4,371	1,598
Investment income					
- Interest on deposit accounts		6,863	-	6,863	7,020
Income from charitable activities					
- Operation of shops and café		2,045,120	-	2,045,120	1,919,826
TOTAL INCOME		2,065,242	2,500	2,067,742	1,935,388
EXPENDITURE					
Costs of raising funds		1,115	-	1,115	1,605
Expenditure on charitable activities	**3**	2,223,495	2,880	2,226,375	1,954,532
TOTAL EXPENDITURE		2,224,610	2,880	2,227,490	1,956,137
NET EXPENDITURE		(159,368)	(380)	(159,748)	(20,749)
Total funds brought forward		882,023	7,162	889,185	909,934
TOTAL FUNDS CARRIED FORWARD		722,655	6,782	729,437	889,185

All income and expenditure derive from continuing activities.

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

The notes on pages 14 to 19 form part of these financial statements.

THE MEDWAY LEAGUE OF FRIENDS
BALANCE SHEET
AT 31 JULY 2025

	Notes	2025		2024	
		£	£	£	£
FIXED ASSETS					
Tangible fixed assets	**10**		355,447		368,686
CURRENT ASSETS					
Stocks		29,981		26,281	
Debtors and prepayments		7,057		3,174	
Cash at bank and in hand		580,140		637,294	
		617,178		666,749	
CREDITORS: amounts falling due within one year					
Trade creditors		75,951		80,968	
Taxation and social security		35,982		32,841	
Other creditors		131,255		32,441	
		243,188		146,250	
NET CURRENT ASSETS			373,990		520,499
TOTAL ASSETS LESS CURRENT LIABILITIES			**729,437**		**889,185**
FUNDS OF THE CHARITY					
Unrestricted income fund	**11**		722,655		882,023
Restricted funds	**11**		6,782		7,162
TOTAL CHARITY FUNDS			**729,437**		**889,185**

The notes on pages 14 to 19 form part of these financial statements.

Approved by the trustees on 24 April 2026 and signed on their behalf

Jan Harsent

Mrs J Harsent, Chairperson

THE MEDWAY LEAGUE OF FRIENDS
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JULY 2025

	2025 £	2024 £
Cash flows from operating activities:		
Cash generated by operations (see below)	(9,105)	86,615
Cash flows from investing activities:		
Purchase of tangible fixed assets (2024 : refund)	(54,912)	34,003
Interest received	6,863	7,020
Net cash used in (2024 : provided from) investing activities	(48,049)	41,023
Change in cash and cash equivalents in the reporting period	(57,154)	127,638
Cash and cash equivalents at the beginning of the reporting period	637,294	509,656
Cash and cash equivalents at the end of the reporting period	580,140	637,294

RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2025 £	2024 £
Net expenditure for the reporting period (as per the statement of financial activities)	(159,748)	(20,749)
Adjustments for:		
Depreciation	68,151	53,861
Interest received	(6,863)	(7,020)
Increase in stocks	(3,700)	(820)
Increase in debtors (2024 : decrease)	(3,883)	35,783
Increase in creditors	96,938	25,560
Net cash used in operating activities (2024 : generated)	(9,105)	86,615

1 STATUTORY INFORMATION

The Medway League of Friends is registered in England and Wales under the Charities Act 2011 as a charitable incorporated organisation. The Charity's registered number and registered office address can be found within the Trustees' Report.

2 ACCOUNTING POLICIES

(a) Basis of accounting

The financial statements of the charity, which is a public benefit entity under FRS102, have been prepared in accordance with the Charities SORP (FRS 102) "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)", Financial Reporting Standard 102 "The Financial Standard applicable in the UK and Republic of Ireland" and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

The presentation currency of the financial statements is the Pound Sterling (£), and all amounts are rounded to the nearest Pound.

(b) Going Concern

When preparing the financial statements, the Trustees have assessed whether there are significant doubts about the charity's ability to continue as a going concern. There are no material uncertainties of which the Trustees are aware in making their assessment.

The Trustees consider that the charity has sufficient cash reserves to enable it to meet its obligations as they fall due for a period of at least 12 months from the date of signing of these financial statements. As such, the Trustees are satisfied that the charity has adequate resources to continue to operate for the foreseeable future and they continue to adopt the going concern basis for preparing these financial statements.

(c) Critical accounting estimates and areas of judgement

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

There are no estimates or assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities in the balance sheet. The League plans to redevelop its Main Shop used for its activities and a Designated fund has been set up to cover the anticipated costs. The amount is the best estimate at the time of preparing these financial statements.

(d) Income and debtors

Voluntary income, which includes donations, gifts and legacies, and fundraising income are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Investment income is recognised on a receivable basis and arises from interest bearing deposit accounts.

Income from charitable activities includes the sales from the League's shops at the Medway Maritime Hospital. All amounts exclude value added tax.

Debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid.

(e) Volunteers and donated services and facilities

No value is incorporated into these financial statements for the services provided by volunteers or where services are provided to the charity as a donation that would normally be purchased from suppliers.

2 ACCOUNTING POLICIES (continued)

(f) Expenditure and liabilities

Expenditure is recognised when a liability is incurred. Grant payments are recognised when a liability or constructive obligation arises that results in the payment being unavoidable.

Costs of generating funds are those costs incurred in attracting voluntary income.

Charitable activities include expenditure associated with the League's shops and grants of equipment and services to the Medway NHS Foundation Trust and others. The expenditure includes both the direct costs and support costs relating to these activities.

Governance and support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

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

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

(g) Financial instruments

The charity enters into basic financial instruments that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans to and from banks, and other third parties. Basic financial instruments are recognised at amortised cost, with changes recognised in the statement of financial activities.

(h) Tangible fixed assets

Fixed assets are stated at historical cost less accumulated depreciation. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset over its estimated useful life at the following rates:

Land and buildings - over the length of the lease	Hospital radio equipment - 10% on cost
Shop equipment - 11%, 15% or 20% on cost	Computer equipment - 33% on cost

Assets which cost less than £1,000 are not capitalised.

(i) Stocks

Stocks are included at the lower of cost and net realisable value. Stocks consists of goods for resale from the shops.

(j) Cash at bank and in hand

Cash at bank and in hand includes cash and deposits that are available to finance the League's day to day operations and have a maturity of three months or less from the date of acquisition, excluding amounts held as part of an investment portfolio.

(k) Funds structure

The charity has restricted income funds to account for situations where a donor requires that a donation must be spent on a particular purpose or where funds have been raised for a specific purpose.

Other funds are unrestricted income funds. Within those amounts the Trustees create Designated funds for particular purposes, such as the redevelopment of the shop and café at the Medway Maritime Hospital.

Where the trustees received requests from Medway NHS Foundation Trust to make donations and purchase equipment for the Trust, such amounts were previously treated as a designated fund. This year once the trustees agree that they will offer financial support, it is treated as a creditor.

Unrestricted income funds not designated are general reserves available to meet the League's objectives.

3 EXPENDITURE ON CHARITABLE ACTIVITIES

	Shops and café	Grants payable	Hospital Radio	Total 2025	Total 2024
	£	£	£	£	£
Shops and café purchases for resale	1,158,759	-	-	1,158,759	1,125,625
Wages and salaries (see note 8)	426,809	-	-	426,809	386,767
Purchase of equipment and other donations (see note 7)	-	466,611	-	466,611	287,402
Bank and card charges and cash processing fees	30,499	-	-	30,499	31,543
Travel and motor expenses	6,035	-	-	6,035	5,302
Depreciation	67,270	-	881	68,151	53,861
Equipment maintenance and computer costs	17,341	-	1,058	18,399	12,302
Printing postage and stationery	2,303	-	-	2,303	3,441
Telephone and other costs	21,589	-	4,147	25,736	25,440
Governance and support costs (see note 5)	18,123	4,886	64	23,073	22,849
	1,748,728	471,497	6,150	2,226,375	1,954,532

The expenditure has been allocated to restricted and unrestricted funds as follows:

Unrestricted	2,223,495	1,950,076
Restricted	2,880	4,456
	2,226,375	1,954,532

4 GOVERNANCE AND SUPPORT COSTS

	Charitable activities	Governance	Total 2025	Total 2024
	£	£	£	£
Audit fees	-	8,750	8,750	8,250
Accountancy costs	-	4,730	4,730	4,020
Attend subscription and insurance	2,825	-	2,825	2,810
Legal and professional fees	-	1,882	1,882	2,816
Staff entertaining	3,527	-	3,527	3,495
Rent	1,207	-	1,207	1,125
Sundries	152	-	152	333
	7,711	15,362	23,073	22,849

5 SUPPORT FOR CHARITABLE ACTIVITIES

This table shows the income arising from and the costs for the operation of the shops and café and the surplus that arises therefrom which provides additional support for charitable activities.

	2025	2024
	£	£
Income	2,045,120	1,919,826
Costs	(1,748,728)	(1,658,392)
Net funding for other activities	296,392	261,434

6 GRANTS PAYABLE

	2025	2024
	£	£
Payments made:		
- Medway NHS Foundation Trust	365,455	275,952
- Service by Emergency Response Volunteers SERV (Kent)	-	11,450
Commitments made by the year-end		
- Medway NHS Foundation Trust	101,156	-
	466,611	287,402

Grants to Medway NHS Foundation Trust are for the purchase of equipment and for the funding of various projects and services. The main items paid for are:

	£	£
4 IAC monitors - Maternity High Dependency Care	50,557	-
2 Paediatric ventilators - Children and Young People Service	39,024	-
Nerve stimulator - Theatres	25,426	-
4 Cardiac monitors - Bronte Ward	19,980	-
5 Atellica PoCT devices - Diabetic Team	19,750	-
4 Sleep study devices - Respiratory and Sleep Service	19,600	-
3 Ultrasound probes - Foetal Ultrasound Department	18,135	-
2 Bladder scanners - Equipment Library	17,700	-
High flow infusers	-	43,985
25 NeoPuffs	-	25,750
Operating tables	-	23,033
2 Surgiquest machines	-	21,095
Cell saver	-	21,018

7 STAFF COSTS AND NUMBERS

	2025	2024
	£	£
Wages and salaries	407,284	359,555
Social security costs	12,686	21,639
Employer's contribution to defined contribution pension scheme	6,839	5,573
	426,809	386,767

The average monthly number of employees during the year was 26 (2024 : 25). No employees received emoluments in excess of £60,000.

There are no key management personnel other than the trustees in this, or the previous, year.

8 TRUSTEE REMUNERATION

None of the trustees have been paid any remuneration or received any other benefits. Four trustees have been reimbursed £754 for expenses incurred on behalf of the League (2024: three trustees reimbursed a total of £1,018). The reimbursements relate to meeting expenses, hospital radio and stationery.

9 RELATED PARTY TRANSACTIONS

There are no related party transactions in the current year or previous year.

10 TANGIBLE FIXED ASSETS

	Land and buildings	Fittings and equipment	TOTAL
	£	£	£
Cost			
- at 1 August 2024	346,903	91,821	438,724
- additions	54,912	-	54,912
- at 31 July 2025	401,815	91,821	493,636
Depreciation			
- at 1 August 2024	47,010	23,028	70,038
- charge for year	52,505	15,646	68,151
- at 31 July 2025	99,515	38,674	138,189
Net book values			
- at 31 July 2025	302,300	53,147	355,447
- at 31 July 2024	299,893	68,793	368,686

11 STATEMENT OF RESERVES

CURRENT YEAR	General fund	Designated fund	Unrestricted funds	Restricted funds	Total
	£	£	£	£	£
Balance at 1 August 2024	356,097	525,926	882,023	7,162	889,185
Income	2,065,242	-	2,065,242	2,500	2,067,742
Expenditure	(2,224,610)	-	(2,224,610)	(2,880)	(2,227,490)
Allocation of funds	73,626	(73,626)	-	-	-
Balance at 31 July 2025	270,355	452,300	722,655	6,782	729,437
The funds held at the year-end date are as follows:					
- Fixed assets	48,747	302,300	351,047	4,400	355,447
- Cash	427,758	150,000	577,758	2,382	580,140
- Net other current assets	(206,150)	-	(206,150)	-	(206,150)
- Total funds	270,355	452,300	722,655	6,782	729,437

PRIOR YEAR	General fund	Designated fund	Unrestricted funds	Restricted funds	Total
	£	£	£	£	£
Balance at 1 August 2023	393,693	504,623	898,316	11,618	909,934
Income	1,935,388	-	1,935,388	-	1,935,388
Expenditure	(1,951,681)	-	(1,951,681)	(4,456)	(1,956,137)
Allocation of funds	(21,303)	21,303	-	-	-
Balance at 31 July 2024	356,097	525,926	882,023	7,162	889,185
The funds held at the year-end date are as follows:					
- Fixed assets	63,505	299,893	363,398	5,288	368,686
- Cash	409,387	226,033	635,420	1,874	637,294
- Net other current assets	(116,795)	-	(116,795)	-	(116,795)
- Total funds	356,097	525,926	882,023	7,162	889,185

11 STATEMENT OF RESERVES (continued)

The Designated fund represents the net book value of the land and buildings shown in note 11 resulting from the shop refurbishment plus a general reserve for future developments.

The restricted funds are in relation to Hospital Radio and represent several grants for capital equipment and running costs. The balance carried forward at the year-end date represents the net book value of the equipment funded (and included in fixed assets in note 11) and unspent monies for running costs to be incurred in the following year.

12 TAXATION

The League is a registered charity and no provision is considered necessary for taxation.

THE MEDWAY LEAGUE OF FRIENDS

England & Wales - Charity number 1172065

Accounts

THE MEDWAY LEAGUE OF FRIENDS

CHARITY REGISTRATION NO: 1172065

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

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THE MEDWAY LEAGUE OF FRIENDS
TRUSTEES' REPORT

The trustees present their seventh report with the financial statements of the charity for the year ended 31 July 2024.

ADMINISTRATIVE DETAILS

Charity registration number	1172065	
Principal address	Medway Maritime Hospital Windmill Road Gillingham Kent ME7 5NY	
Trustees	S Clark	- president appointed 17 January 2024
	Mrs J Harsent	- chairperson
	Mrs E Norman	
	S Towsey	
	C H Silk	
	Mrs M Cogger	
	Ms H Belcher	
	S Dansie	
	T Higgins	
	Ms D Peers	
	M Bell	- appointed 17 January 2024
Auditors	Kreston Reeves 2nd Floor Maritime Place Quayside Chatham Maritime Chatham Kent, ME4 4QZ	
Bankers	Lloyds Bank plc 142-146 High Street Chatham Kent, ME4 4DQ	

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The charity is a charitable incorporated organisation registered with the Charities Commission on 15 March 2017 and governed by its constitution adopted 8 March 2017.

Appointment of Trustees

Trustees are appointed by the members at the annual general meeting and their number shall not be less than four. New Trustees would require some experience of the sector in which the charity operates and be appropriate for the League.

THE MEDWAY LEAGUE OF FRIENDS
TRUSTEES' REPORT

Organisation and Decisions

The Trustees meet at least four times a year to manage the League's affairs. In the 2023/24 year the Trustees met eight times, all in person. This Committee consists of a Chairman, Vice Chairman, Treasurer and Secretary and between one and eleven other persons. No person shall be a member of the Committee who is not a member of the League itself.

The Committee are assisted by managers and organisers of the League's shops and a representative of the Medway NHS Foundation Trust. An operations manager has day to day control over its employed staff and the many volunteers.

Affiliations

The League is a member of Attend, which exists to promote and develop the role of volunteers in our health and social services throughout the UK.

OBJECTIVES AND ACTIVITIES

Objectives

The objects of the charity are the relief of sickness and the promotion of the good health and wellbeing of patients of NHS services in Medway, in particular the patients of the Medway Maritime Hospital Trust, through the provision of grants, items and services, funded where possible by the work of volunteers.

Public Benefit

In accordance with the Charities Acts and Regulations, the trustees have had due regard to the guidance published by the Charity Commission on the requirement that the objectives and work undertaken by the League are in line with charitable objects and do provide benefit for the public.

In 2018, the charity took over the activities previously carried on by the 'Medway League of Friends' whose original aim was to provide those 'little extras' for patients and staff in the then local hospitals (mainly the Medway Maritime Hospital but also at Wainscott) that the NHS cannot always provide. Over time those 'little extras' have turned into vital pieces of medical equipment, furniture and other amenities. The difference, that the charity intends to continue through its activities, is to help speed patients' recovery and get them back to their homes and loved ones and to do this wherever possible though the services of volunteers from the community.

Aims and Activities

The main objective for the year under review was to continue the provision of services and generation of funds through sales at the League's First Rate shop and café at the Medway Maritime Hospital.

The Shop incorporates a night service facility from 9 p.m. until 7 a.m., so that patients, visitors and hospital staff can get a snack or hot drink.

There is also a small retail outlet in a Care Home in Wainscott serving the residents, who are all NHS patients.

Hospital Radio Medway is a part of the League, and broadcasts 24 hours of programmes each and every day, including record requests, themed music and items of local interest to the patients.

The League makes significant use of volunteers in the course of undertaking its charitable and income generating activities. The volunteers carry out many of the duties required to operate the shop. During the year under review the League continued to connect with the community by providing Work Experience placements to school and college students and to Duke of Edinburgh Award candidates. Some young people choose to stay on as volunteers after their placement ends. The League has also established a link to a local employment agency to offer work experience to people wanting to get back into employment. Basic training courses are offered to acquire certified skills to take forward. Volunteers are encouraged to take the courses on offer.

THE MEDWAY LEAGUE OF FRIENDS
TRUSTEES' REPORT

Impact Statement

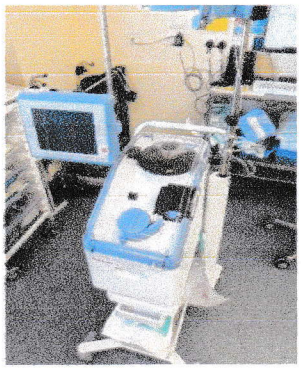
The League devotes all its surplus funds to grants to the NHS. 2023/24 was the Shop's first full year of trading after a major refurbishment and proved very successful, enabling the League to pay 27 grants totalling £287,402. Another 9 grants totalling £87,879, were approved but not paid before the year end. (One of these was later rescinded, leaving £64,532 to be paid during 2024/25.)

The impact of the grants paid by the League is illustrated in the examples below:

Bid no. 01.23 - £21,018

Staff in the Obstetrics Department had made a capital bid for a Cell Saver for their department. This equipment is used to harvest red blood cells, to wash/ process them and prepare the cells for safe return to the body. Cell Savers are used to support the Royal College of Gynaecologists and Obstetricians guidelines / recommendations. The equipment can also be used for Jehovah Witness patients. The department has one of these items of equipment but if it is in use in obstetrics there is the risk of a patient being cancelled in another theatre where the cell saver might be required.

Staff thanked the League for their support and said the equipment has been in regular use since it was delivered which has had a positive impact on patients and for the team to prevent any cancellations.





Bid no. 10.23 - £1,586

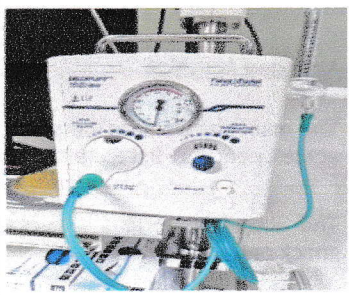
The Physiotherapy Team Lead for Older People made a bid to the League for two Sara Stedy walking aids – one for Milton Ward and one for the Emerald Assessment Unit. These aids are used to support the rehabilitation and enablement of patients who are able to stand but unable to step due to physical strength, cognitive barriers or anxiety. The League were advised these aids help a patient to transfer safely from bed to a chair/commode and back again.

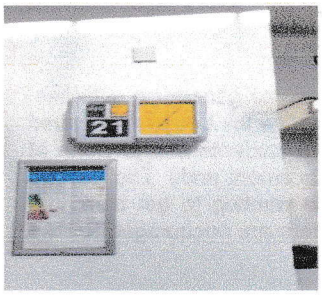
Impact Statement from the Physiotherapy Team Lead: "The Sara Stedy's have arrived and are being put into good use on Milton Ward and Emerald Assessment Unit. Below is a picture of myself and the team on Milton Ward. The addition of the two Sara Stedy's funded by the League of Friends, has enabled each frailty ward at Medway to have they own Sara Stedy. This has helped to ensure the timely rehabilitation and reconditioning of our frailty patients"

Bid no. 02.23 - £25,751

Staff in the Neonatal Unit made a bid for 25 infant resuscitators for use in their ITU and Isolation Room. The equipment in use at the time was old and spare parts, if required, were unavailable as the provider had stopped production.

Impact Statement: "Thank you for contributing towards our new Neopuff equipment for the Oliver Fisher Neonatal Unit. We needed to replace an existing system of resuscitation equipment in our Neonatal Intensive Care and Special Care nurseries. There are many benefits to the Unit and the babies under our care. We now have a fully unified cot-side resuscitation system which is compatible with Delivery Suite equipment, and have streamlined our purchasing as a result. The main benefit is to the increased assurance of safety of the babies under our care, especially in our Special Care Nursey. We are very grateful for your help".





Bid no. 22.23 - Dementia wall clocks - £12,841

A request was made to the League for potential funding to provide 80 dementia wall clocks for use throughout the hospital. There is a requirement for a dementia clock to be installed, and in the view of every patient space, and also a PLACE (Patient-Led Assessments of the Care Environment) requirement on which the Trust is scored. The League agreed to fund these clocks.

Staff thanked the League for their generosity in supporting this bid which supports the patient environment and ensures compliance with guidelines.

Bid no. 25.23 - Patient monitor for ITU - £6,097



The Senior Sister in the Intensive Care Unit made a bid for a patient monitor for use on their transfer trolley. This trolley is specific for critical care transfers and enables staff to move the sickest of patients to other hospitals. Prior to this, the Unit had to use the trolley provided by the ambulance service but this is not suitable for critically unwell patients with multiple lines, drains, medications and the need for constant monitoring.

The Senior Sister advised us: "critical care patients need close monitoring at all times and sometimes they need to move hospitals for more specialist care. This monitor forms part of our new transfer trolley and enables us to safely move our patients whilst having them fully monitored. This ensures patient safety and allows for staff to make changes to patients quickly if needed".

Donations

The League's income is supplemented by donations. These totalled £5,794 including those for Hospital Radio.

Achievements

The League of Friends

With the opening of the First Rate shop and café the League achieved its aim to provide a state of the art refreshment facility with seating and a more accessible and streamlined retail operation within an attractive environment, paid for with funds set aside for the project. It has been very well received, and the first year of trading has been excellent enabling a record total of donations being made to the Hospital Trust. New volunteers have been recruited to cope with the increased demands of the shop and café.

Hospital Radio Medway ("HRM")

Hospital Radio Medway forms part of The Medway League of Friends and is run entirely by volunteers. With the recent successful recruitment drive the station can run more variety in the types of music available, including live programmes. But the main focus remains the daily programme consisting of requests for the patients and staff. Information regarding charities and local interest items, including live interviews, also forms an integral part of the programming.

Progress against objectives

Progress on the objectives which the Trustees set for 2023/24 was as follows:

1 Resume regular grants
Achieved with the resumption of grants being made to wards and hospital departments. The total of £347,402 makes 2023/24 one of the best years ever.

2 Explore new retail opportunities
The League has offered to provide a retail and refreshment outlet in the Atrium area if a suitable space becomes available.

3 Increase efficiency of retail operations
The efficiency of the retail operation has been kept under review to identify areas for improvement. An additional coffee machine was installed to speed up over the counter hot drink sales. Some additional staff have been employed to cope with the increase in customer demand. It is planned to install a door between the shop and store room to avoid the need for stock to be taken through the office. This will make the movement of stock more efficient and improve the working of the office. A SIA certified security guard is being employed to deter shoplifters and reassure volunteers.

4 Develop staff and encourage volunteers

Staff are appraised annually using a format that recognises achievement and sets challenging and realistic agreed goals for the next year. Training needs are also identified and addressed. In 2024 the Operations Manager was appraised by the Treasurer and Chair.

Star Awards are awarded to a nominated volunteers twice yearly, at the Summer Tea Party and Xmas lunch, along with any Long Service awards. Volunteers are encouraged to take advantage of the certified training courses that are available.

5 Enhance communications

League trustees will continue to meet regularly with the Trust CEO and Chair to establish priorities and discuss areas of common interest. Talks to local groups in Medway continued. A volunteer mans a small stall promoting the League's activities and encouraging volunteers to sign up at local events. League information is displayed on the two screens in the foyer. The League continues to use the Hospital Trust's newsletters and social media to publicise the League and Hospital Radio.

6 Improve the governance of the League

In 2024 Stephen Clark agreed to fill the vacant role of President. He is a past Chair of the Hospital Board of Governors and brings a wealth of experience to the role. Training is planned for Trustees this autumn including Charity Commission updates. Policies continue to be reviewed regularly. The risk register has been updated to include the changes associated with the new shop. The annual internal financial review has taken place.

7 Mitigate the environmental impact of the League's operations

As a result of data submitted to Carbon Neutral Britain Ltd in 2023 the League has been certified as a Carbon Neutral Organisation. A new assessment took place in July 2024. The League approved and adopted a Sustainability Policy in July 2024 that will be reviewed in June 2026. The League complies with legislation banning all single use plastics in its operation

Objectives 2024/25

Many of the 2023/24 Objectives related to continuing activities and have been renewed for 2024/25. The full list set by the Trustees is:

1 Increase regular grants
2 Explore new retail opportunities
3 Increase efficiency of retail operations
4 Enhance communications
5 Develop staff and volunteers
6 Improve governance
7 Mitigate environmental impact

There are specific goals for these Objectives. Responsibility for each of the latter is assigned to an individual Trustee, and progress is regularly reviewed at Trustees' meetings.

FINANCIAL REVIEW

Review of the Financial Position

The financial position is set out on pages 10 to 18. Gross income from the charity's activities operating shops has increased significantly over the previous year which had disruption and closure caused by the refurbishment of the retail/cafe area. Sales totalled £1,919,826 compared to £1,466,418. Gross margins on sales resumed the 2022 level of 41.4% up from to 38.7% in the disrupted 2023 year.

The increase in business this year led to a contribution from the shops of £261,434 (2023 : £191,385). With grants to the Medway NHS Foundation Trust and others of £287,402 there was a small deficit of £20,749. The charity's net assets at the end of the year were £889,185.

Without the need to spend on the fabric of the new shop and equipment in 2023, the cash at bank and short term investments increased from £509,656 to £637,294.

THE MEDWAY LEAGUE OF FRIENDS
TRUSTEES' REPORT

Going Concern

The Trustees reviewed the position (18 September 2024) and concluded that The Medway League of Friends remained a Going Concern for the coming financial year.

Restricted funds

There are restricted funds for Hospital Radio, which are explained in the notes to the financial statements.

Reserves Policy

Last year the Trustees agreed that a Designated Reserve totalling £133,184 should be sufficient to cover the remainder of refurbishment project and furnish a provision for costs in the event of business interruption. Monies spent on the structure of the shop are being depreciated over the length of the lease granted to the League by the Hospital, and as such the net book value of £363,398 is regarded as continuing Designated reserves.

As grant making has resumed to the Hospital for specific projects and /or assets, sums committed by the Trustees but not incurred at the year end, which total £87,879, have been allocated to Designated reserves to cover them. All remaining surplus funds will be utilised for the benefit of the Hospital and Medway NHS patients.

Trustees' Responsibilities

The trustees are responsible for preparing the Report of the Trustees 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 Charities SORP;
- make judgements 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

Approved by the trustees on 9 May 2025 and signed on their behalf

Jan Harsent

Mrs J Harsent, Chairperson

INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF
THE MEDWAY LEAGUE OF FRIENDS

Opinion

We have audited the financial statements of The Medway League of Friends (the 'charity') for the year ended 31 July 2024, which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes, 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 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting practice).

The financial statements have been prepared in accordance with 'Accounting and Reporting by Charities' preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2019.

In our opinion the financial statements:

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

Basis of 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 Auditors 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 United Kingdom, including the Financial Reporting Council'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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees' have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the 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 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 of 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.

INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF
THE MEDWAY LEAGUE OF FRIENDS

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities statement, 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, of have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

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

Capability of the audit in detecting irregularities, including fraud

Based on our understanding of the Charity and the sector as a whole, 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, anti-bribery 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 Charities SORP (FRS 102) Second Edition (released October 2019), and other relevant charity legislation. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. We evaluated Trustees' and 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 related to and determined that the principal risks were related to posting inappropriate journal entries to increase revenue or reduce expenditure and management bias in accounting estimates and judgemental areas of the financial statements. 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 and fraud; and
- challenging assumptions and judgements made by management in its significant accounting estimates; and
- performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; 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

Auditor's responsibilities for the audit of the financial statements (continued)

- review of significant and unusual transactions and evaluation of the underlying financial rationale supporting the transactions; and
- identifying and testing journal entries, in particular any manual entries made at the year-end for financial statement preparation.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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 of 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 my 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 my 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 represent the underlying transactions and events in a matter 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 its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Kreston Reeves LLP

Kreston Reeves LLP
Statutory Auditor

2nd Floor Maritime Place
Quayside
Chatham Maritime
Chatham
Kent, ME4 4QZ

Date: 10 May 2025

Kreston Reeves LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

THE MEDWAY LEAGUE OF FRIENDS
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JULY 2024

	Notes	Unrestricted fund £	Restricted funds £	Total 2024 £	Total 2023 £
INCOME AND ENDOWMENTS					
Donations and legacies					
- Donations		5,794	-	5,794	11,856
- Grants		1,150	-	1,150	2,500
Fundraising		1,598	-	1,598	1,817
Investment income					
- Interest on deposit accounts		7,020	-	7,020	4,728
Income from charitable activities					
- Operation of shops		1,919,826	-	1,919,826	1,466,418
TOTAL INCOME		1,935,388	-	1,935,388	1,487,319
EXPENDITURE					
Costs of raising funds		1,605	-	1,605	1,521
Expenditure on charitable activities	3	1,950,076	4,456	1,954,532	1,402,633
TOTAL EXPENDITURE		1,951,681	4,456	1,956,137	1,404,154
NET EXPENDITURE (2023 : INCOME)		(16,293)	(4,456)	(20,749)	83,165
Total funds brought forward		898,316	11,618	909,934	826,769
TOTAL FUNDS CARRIED FORWARD		882,023	7,162	889,185	909,934

All income and expenditure derive from continuing activities.

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

The notes on pages 13 to 18 form part of these financial statements.

THE MEDWAY LEAGUE OF FRIENDS
BALANCE SHEET
AT 31 JULY 2024

	Notes	2024		2023	
		£	£	£	£
FIXED ASSETS					
Tangible fixed assets	11		368,686		456,550
CURRENT ASSETS					
Stocks		26,281		25,461	
Debtors and prepayments		3,174		38,957	
Investments		-		121,877	
Cash at bank and in hand		637,294		387,779	
		666,749		574,074	
CREDITORS: amounts falling due within one year					
Trade creditors		80,968		72,871	
Taxation and social security		32,841		3,381	
Other creditors		32,441		44,438	
		146,250		120,690	
NET CURRENT ASSETS			520,499		453,384
TOTAL ASSETS LESS CURRENT LIABILITIES			**889,185**		**909,934**
FUNDS OF THE CHARITY					
Unrestricted income fund	12		882,023		898,316
Restricted funds	12		7,162		11,618
TOTAL CHARITY FUNDS			**889,185**		**909,934**

The notes on pages 13 to 18 form part of these financial statements.

Approved by the trustees on 9 May 2025 and signed on their behalf

Jan Harsent

Mrs J Harsent, Chairperson

THE MEDWAY LEAGUE OF FRIENDS
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JULY 2024

	2024 £	2023 £
Cash flows from operating activities:		
Cash generated by operations (see below)	86,615	124,921
Cash flows from investing activities:		
Refund of tangible fixed assets (2023 : purchase)	34,003	(461,601)
Interest received	7,020	4,728
Net cash provided from (used in) investing activities	41,023	(456,873)
Change in cash and cash equivalents in the reporting period	127,638	(331,952)
Cash and cash equivalents at the beginning of the reporting period	509,656	841,608
Cash and cash equivalents at the end of the reporting period	637,294	509,656

RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2024 £	2023 £
Net expenditure (2023 : income) for the reporting period (as per the statement of financial activities)	(20,749)	83,165
Adjustments for:		
Depreciation	53,861	21,109
Interest received	(7,020)	(4,728)
Decrease in stocks (2023 : decrease)	(820)	7,545
Decrease in debtors (2023 : increase)	35,783	(36,687)
Increase in creditors (2023 : increase)	25,560	54,517
Net cash generated by operating activities	86,615	124,921

1 STATUTORY INFORMATION

The Medway League of Friends is registered in England and Wales under the Charities Act 2011 as a charitable incorporated organisation. The Charity's registered number and registered office address can be found within the Trustees' Report.

2 ACCOUNTING POLICIES

(a) Basis of accounting

The financial statements of the charity, which is a public benefit entity under FRS102, have been prepared in accordance with the Charities SORP (FRS 102) "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)", Financial Reporting Standard 102 "The Financial Standard applicable in the UK and Republic of Ireland" and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

The presentation currency of the financial statements is the Pound Sterling (£), and all amounts are rounded to the nearest Pound.

(b) Going Concern

When preparing the financial statements, the Trustees have assessed whether there are significant doubts about the charity's ability to continue as a going concern. There are no material uncertainties of which the Trustees are aware in making their assessment.

The Trustees consider that the charity has sufficient cash reserves to enable it to meet its obligations as they fall due for a period of at least 12 months from the date of signing of these financial statements. As such, the Trustees are satisfied that the charity has adequate resources to continue to operate for the foreseeable future and they continue to adopt the going concern basis for preparing these financial statements.

(c) Critical accounting estimates and areas of judgement

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

There are no estimates or assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities in the balance sheet. The League plans to redevelop its Main Shop used for its activities and a Designated fund has been set up to cover the anticipated costs. The amount is the best estimate at the time of preparing these financial statements.

(d) Income and debtors

Voluntary income, which includes donations, gifts and legacies, and fundraising income are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Investment income is recognised on a receivable basis and arises from interest bearing deposit accounts.

Income from charitable activities includes the sales from the League's shops at the Medway Maritime Hospital. All amounts exclude value added tax.

Debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid.

(e) Volunteers and donated services and facilities

No value is incorporated into these financial statements for the services provided by volunteers or where services are provided to the charity as a donation that would normally be purchased from suppliers.

2 ACCOUNTING POLICIES (continued)

(f) Expenditure and liabilities

Expenditure is recognised when a liability is incurred. Grant payments are recognised when a liability or constructive obligation arises that results in the payment being unavoidable.

Costs of generating funds are those costs incurred in attracting voluntary income.

Charitable activities include expenditure associated with the League's shops and grants of equipment and services to the Medway NHS Foundation Trust and others. The expenditure includes both the direct costs and support costs relating to these activities.

Governance and support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

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

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

(g) Financial instruments

The charity enters into basic financial instruments that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans to and from banks, and other third parties. Basic financial instruments are recognised at amortised cost, with changes recognised in the statement of financial activities.

(h) Tangible fixed assets

Fixed assets are stated at historical cost less accumulated depreciation. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset over its estimated useful life at the following rates:

Land and buildings - over the length of the lease	Hospital radio equipment - 10% on cost
Shop equipment - 11%, 15% or 20% on cost	Computer equipment - 33% on cost

Assets which cost less than £1,000 are not capitalised.

(i) Stocks

Stocks are included at the lower of cost and net realisable value. Stocks consists of goods for resale from the shops.

(j) Cash at bank and in hand

Cash at bank and in hand includes cash and deposits that are available to finance the League's day to day operations and have a maturity of three months or less from the date of acquisition, excluding amounts held as part of an investment portfolio.

(k) Funds structure

The charity has restricted income funds to account for situations where a donor requires that a donation must be spent on a particular purpose or where funds have been raised for a specific purpose.

Other funds are unrestricted income funds. Within those amounts the Trustees create Designated funds for particular purposes, such as the redevelopment of the Main Shop. Also the trustees receive requests from Medway NHS Foundation Trust to make donations and purchase equipment for the Trust. Once the trustees agree that they will offer financial support, a transfer is made to a designated fund for that purpose.

Unrestricted income funds not designated are general reserves available to meet the League's objectives.

3 EXPENDITURE ON CHARITABLE ACTIVITIES

	Operation of shops	Grants payable	Hospital Radio	Total 2024	Total 2023
	£	£	£	£	£
Shop purchases for resale	1,125,625	-	-	1,125,625	898,207
Wages and salaries (see note 8)	386,767	-	-	386,767	272,756
Purchase of equipment and other donations (see note 7)	-	287,402	-	287,402	120,418
Bank and card charges and cash processing fees	31,543	-	-	31,543	20,903
Travel and motor expenses	5,302	-	-	5,302	5,007
Depreciation	52,980	-	881	53,861	21,109
Equipment maintenance and computer costs	11,256	-	1,046	12,302	18,255
Printing postage and stationery	3,441	-	-	3,441	6,222
Telephone and other costs	22,091	-	3,349	25,440	20,721
Governance and support costs (see note 5)	19,387	3,400	62	22,849	19,035
	1,658,392	290,802	5,338	1,954,532	1,402,633

The expenditure has been allocated to restricted and unrestricted funds as follows:

Unrestricted	1,950,076	1,405,499
Restricted	4,456	(2,866)
	1,954,532	1,402,633

4 GOVERNANCE AND SUPPORT COSTS

	Charitable activities	Governance	Total 2024	Total 2023
	£	£	£	£
Audit fees	-	8,250	8,250	7,440
Accountancy costs	-	4,020	4,020	1,985
Attend subscription and insurance	2,810	-	2,810	1,445
Legal and professional fees	-	2,816	2,816	1,523
Staff entertaining	3,495	-	3,495	5,015
Rent	1,125	-	1,125	1,057
Sundries	333	-	333	570
	7,763	15,086	22,849	19,035

5 SUPPORT FOR CHARITABLE ACTIVITIES

This table shows the income arising from and the costs for the operation of the shops and the surplus that arises therefrom which provides additional support for charitable activities.

	2024	2023
	£	£
Income	1,919,826	1,466,418
Costs	(1,658,392)	(1,275,033)
Net funding for other activities	261,434	191,385

6 GRANTS PAYABLE

	2024	2023
	£	£
Medway NHS Foundation Trust	275,952	120,418
Service by Emergency Response Volunteers SERV (Kent)	11,450	-
	287,402	120,418

Grants to Medway NHS Foundation Trust are for the purchase of equipment and for the funding of various projects and services. The main items funded are:

	£	£
High flow infusers	43,985	-
25 NeoPuffs	25,750	-
Operating tables	23,033	-
2 Surgiquest machines	21,095	-
Cell saver	21,018	-
2 bladder scanners	18,685	-
Laser machine	18,500	-
Cooling unit	16,082	-
Wall clocks for dementia team	12,841	-
7 end of life pumps	10,036	-
Recliner chairs for delivery suite	10,024	-
15 defibrillators - throughout the hospital	-	94,935
3 gynae couches - Colposcopy department	-	11,315

7 STAFF COSTS AND NUMBERS

	2024	2023
	£	£
Wages and salaries	359,555	258,567
Social security costs	21,639	10,114
Employer's contribution to defined contribution pension scheme	5,573	4,075
	386,767	272,756

The average monthly number of employees during the year was 25 (2023 : 17). No employees received emoluments in excess of £60,000.

There are no key management personnel other than the trustees in this, or the previous, year.

8 TRUSTEE REMUNERATION

None of the trustees have been paid any remuneration or received any other benefits. Three trustees have been reimbursed £1,018 for expenses incurred on behalf of the League (2023: three trustees reimbursed a total of £571). The reimbursements relate to meeting expenses and hospital radio.

9 RELATED PARTY TRANSACTIONS

There are no related party transactions in the current year or previous year.

10 TAXATION

The League is a registered charity and no provision is considered necessary for taxation.

11 TANGIBLE FIXED ASSETS

	Land and buildings	Fittings and equipment	TOTAL
	£	£	£
Cost			
- at 1 August 2023	389,839	82,888	472,727
- additions	(37,583)	3,580	(34,003)
- reallocation	(5,353)	5,353	-
- at 31 July 2024	346,903	91,821	438,724
Depreciation			
- at 1 August 2023	9,108	7,069	16,177
- charge for year	37,902	15,959	53,861
- at 31 July 2024	47,010	23,028	70,038
Net book values			
- at 31 July 2024	299,893	68,793	368,686
- at 31 July 2023	380,731	75,819	456,550

12 STATEMENT OF CHANGES IN EQUITY

CURRENT YEAR	General fund	Designated fund	Unrestricted funds	Restricted funds	Total
	£	£	£	£	£
Balance at 1 August 2023	393,693	504,623	898,316	11,618	909,934
Income	1,935,388	-	1,935,388	-	1,935,388
Expenditure	(1,951,681)	-	(1,951,681)	(4,456)	(1,956,137)
Allocation of funds	(21,303)	21,303	-	-	-
Balance at 31 July 2024	356,097	525,926	882,023	7,162	889,185
The funds held at the year-end date are as follows:					
- Fixed assets	63,505	299,893	363,398	5,288	368,686
- Cash	409,387	226,033	635,420	1,874	637,294
- Net other current assets	(116,795)	-	(116,795)	-	(116,795)
- Total funds	356,097	525,926	882,023	7,162	889,185

PRIOR YEAR	General fund	Designated fund	Unrestricted funds	Restricted funds	Total
	£	£	£	£	£
Balance at 1 August 2022	296,767	525,000	821,767	5,002	826,769
Income	1,483,569	-	1,483,569	3,750	1,487,319
Expenditure	(1,407,020)	-	(1,407,020)	2,866	(1,404,154)
Allocation of funds	20,377	(20,377)	-	-	-
Balance at 31 July 2023	393,693	504,623	898,316	11,618	909,934
The funds held at the year-end date are as follows:					
- Fixed assets	69,659	380,731	450,390	6,160	456,550
- Cash	258,429	123,892	382,321	5,458	387,779
- Net other current assets	65,605	-	65,605	-	65,605
- Total funds	393,693	504,623	898,316	11,618	909,934

12 STATEMENT OF CHANGES IN EQUITY (continued)

The Designated fund represents the net book value of the land and buildings shown in note 11 resulting from the shop refurbishment plus commitments made before the year-end date to the Medway NHS Foundation Trust for grants.

The restricted funds are in relation to Hospital Radio and represent several grants for capital equipment and running costs. The balance carried forward at the year-end date represents the net book value of the equipment funded (and included in fixed assets in note 11) and unspent monies for running costs to be incurred in the following year.

THE MEDWAY LEAGUE OF FRIENDS

England & Wales - Charity number 1172065

Accounts

THE MEDWAY LEAGUE OF FRIENDS

CHARITY REGISTRATION NO: 1172065

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2023

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THE MEDWAY LEAGUE OF FRIENDS
TRUSTEES' REPORT

The trustees present their sixth report with the financial statements of the charity for the year ended 31 July 2023.

ADMINISTRATIVE DETAILS

Charity registration number	1172065
Principal address	Medway Maritime Hospital Windmill Road Gillingham Kent ME7 5NY
Trustees	Mrs J Harsent - chairperson Mrs E Norman S Towsey C H Silk Mrs M Cogger Ms H Belcher S Dansie T Higgins P McKenna - resigned 11 September 2023 Ms D Peers J C H Weir - resigned 14 November 2022
Auditors	Kreston Reeves Montague Place Quayside Chatham Maritime Chatham Kent, ME4 4QU
Bankers	Lloyds Bank plc 142-146 High Street Chatham Kent, ME4 4DQ

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The charity is a charitable incorporated organisation registered with the Charities Commission on 15 March 2017 and governed by its constitution adopted 8 March 2017.

Appointment of Trustees

Trustees are appointed by the members at the annual general meeting and their number shall not be less than four. New Trustees would require some experience of the sector in which the charity operates and be appropriate for the League.

Organisation and Decisions

The trustees meet at least four times a year to manage the League's affairs. In the 2022/3 year the trustees met eight times, the first four times by video link and the rest in person. This Committee consists of a Chairman, Vice Chairman, Treasurer and Secretary and between one and eleven other persons. No person shall be a member of the Committee who is not a member of the League itself.

The Committee are assisted by managers and organisers of the League's shops and a representative of the Medway NHS Foundation Trust. An operations manager has day to day control over its employed staff and the many volunteers.

Affiliations

The League is a member of Attend, which exists to promote and develop the role of volunteers in our health and social services throughout the UK.

OBJECTIVES AND ACTIVITIES

Objectives

The objects of the charity are the relief of sickness and the promotion of the good health and wellbeing of patients of NHS services in Medway, in particular the patients of the Medway Maritime Hospital Trust, through the provision of grants, items and services, funded where possible by the work of volunteers.

Public Benefit

In accordance with the Charities Acts and Regulations, the trustees have had due regard to the guidance published by the Charity Commission on the requirement that the objectives and work undertaken by the League are in line with charitable objects and do provide benefit for the public.

In 2018, the charity took over the activities previously carried on by the 'Medway League of Friends' whose original aim was to provide those 'little extras' for patients and staff in the then local hospitals (mainly the Medway Maritime Hospital but also at Wainscott) that the NHS cannot always provide. Over time those 'little extras' have turned into vital pieces of medical equipment, furniture and other amenities. The difference, that the charity intends to continue through its activities, is to help speed patients' recovery and get them back to their homes and loved ones and to do this wherever possible though the services of volunteers from the community.

Aims and Activities

The main objective for the year under review was to continue the provision of services through sales at the League's shops at the Medway Maritime Hospital.

During the year the League operated two shops at the Medway Maritime Hospital: the main shop / refreshment area and a 24-hour kiosk in A&E, so that patients, visitors and hospital staff can always get a snack or a hot drink whatever the time of day or night. The main activity of the year under review was to fully refurbish the shop with measures taken to provide an alternative service while the work took place.

Hospital Radio Medway is a part of the League, and broadcasts 24 hours of programmes each and every day, including record requests, themed music and items of local interest to the patients.

The League makes significant use of volunteers in the course of undertaking its charitable and income generating activities. The volunteers carry out many of the duties required to operate the shop. During the year under review the League continued connect with the community by providing Work Experience and Duke of Edinburg placements. Some young people choose to stay on as volunteers after their placement ends. The League has also established a link to a local employment agency to offer work experience to people wanting to get back into employment. Basic training courses are offered to acquire certified skills to take forward.

THE MEDWAY LEAGUE OF FRIENDS
TRUSTEES' REPORT

Impact Statement

In normal times the League devotes all its surplus funds to grants to the NHS. In 2022/23 the Refurbishment Project absorbed some of the surplus, but it was still possible to make 5 grants, totalling £120,418. The main item covered the replacement of 15 outdated defibrillators throughout the Hospital at a cost of £94,935. Details of the other four are shown below.

Baby Simulation Manikins – Neonatal Unit - £5,545

A request was received by the League from the Neonatal Unit for a baby simulation manikin. Whilst simulation manikins are available in the hospital for adults and full-term babies, there was no such training aid for pre-term babies. Updated framework guidance advised babies as young as 22 weeks should be considered for resuscitation, but staff require appropriate training. The League agreed to fund this equipment which is now in use on the Oliver Fisher Neonatal Unit.





2 x Jaundice Meters - Maternity/Community - £7,800

The League was asked to consider a bid for two replacement jaundice meters to be used to detect jaundice in neonates. The meters which were in use were often being repaired/serviced and, therefore, not available for the team.

The Community Senior Sister advised that the meters 'are a very big help in providing a non-invasive way of testing our babies for jaundice. They provide reassurance for our families, and also us as care providers".







3 x Gynae Couches
- Colposcopy Department - £11,315

A request was received from the Colposcopy Department for the League to consider funding three replacement patient couches. It was noted the couches in use were non height-adjusting and the wheels were beyond repair.

The couches were used for TV scan examinations and those in use did not have a removable lower section to enable the scans to be undertaken. The Manager of the department advised the replacement couches will be in constant use for scans and enable the service to be compliant with national recommendations and best practice.

Pharmacy Refrigerator for the Endocrine Department - £825

The Manager and Consultant Physician working in the Endocrine Department asked the League if members would consider funding a refrigerator to hold special medicines which are used for dynamic function tests. These tests are used to help diagnose some complex endocrine conditions and enable staff to start the right treatment sooner; also to monitor patients who already have a diagnosis and are on special treatments and for tests to be undertaken in the department under the direct supervision of the endocrine team.



Donations

The League's income is supplemented by donations. These picked up with the return to more normal conditions. They totalled £11,856 including those for Hospital Radio, significantly ahead of the 2021/22 figure.

Achievements

The League of Friends

Following the agreement with the Hospital Trust of a 10-year lease for the Main Shop and adjacent seating area (May 2022), planning began in earnest for a complete refurbishment of the retail operation. The aim was to provide a state of the art refreshment facility with seating and a more accessible and streamlined retail operation within an attractive environment. Finance was entirely provided by the League, drawing upon funds previously earmarked for a separate coffee shop which had to be abandoned because of the pandemic.

Planning and preparation for the refurbishment took until February 2023, and the project began in March. The Hospital Trust allowed the use of space in the foyer opposite the site for a pop-up shop offering a basic refreshments service. This proved very popular, allowed the continued employment of staff and volunteers, and covered its costs. The night service in the A&E kiosk remained open throughout the refurbishment until it could be transferred to work from the night service hatch in the new shop.

The refurbishment lasted 14 weeks and required a great deal of work from the Staff Management Team, who forged a strong working relationship with the contractor. The new facility, named 'The First Rate Shop and Cafe' opened on 14 June. It has been well received, and traded very promisingly for the remaining six weeks of the year.

Hospital Radio Medway ("HRM")

The radio service continues to reach all areas of the Hospital enabling Patients, Staff and Visitors access to bespoke programmes consisting of music and features of local interest. HRM's streaming figures continue to show steady growth since the installation of a dedicated text request line. By working with local charities, Departments within the Hospital and by publicising HRM it is possible to recruit new Members in order to increase the programmes currently on offer.

Hospital Radio Medway is self-funding and seeks grants and donations from many sources in order to keep the Station on air while being aware of the financial commitment by ring-fencing funds required for the duration of the licences in place. A partnership with local Rotary Clubs funded the purchase of a quantity of DAB/FM radios for the Wards to increase the potential audience.

As Members of The National Association of Hospital Broadcasting Organisations HRM receives support and training for its Members along with recognition of excellence for the Member Stations as well as individual Members.

Progress against objectives

Progress on the objectives which the Trustees set for 2022/23 was as follows:

1 Renew the retail offer
Achieved with the completion of the First Rate shop and café which opened for business on 14th June 2023.

2 Reinstate financial support for the Hospital Trust
Re-started in July 2023 with a commitment to grants for capital equipment of £124,000.

3 Enhance communications
Talks to local Groups in Medway continued. Work Experience and Duke of Edinburgh placements have continued. Screens in the new shop and café are used to publicise the League's activities. The League has taken up the offer from the Hospital Trust to include League information on the two screens installed in the foyer. The League continues to use Hospital Trust's newsletters and social media to publicise the League and Hospital Radio.

4 Develop staff and encourage Volunteers
Staff are appraised annually using a format that recognises achievement and sets challenging and realistic agreed goals for the next year. Training needs are also identified and addressed. In 2023 the Operations Manager was appraised by the Treasurer and Chair.
Star Awards are awarded to a nominated volunteers twice yearly, at the Summer Tea Party and Xmas lunch, along with any Long Service awards.

5 Increase and diversify the Trustee Board, and implement succession plans
Recruiting new Trustees prove difficult in 2022/23, but continuing efforts have produced an application, which is being processed in 2023/24. A Trustees training day took place on 13th September.

There has been no progress on succession planning which has been carried over into 23/24 as part of the Objective to Improve Governance.

6 Improve the governance of the League
Trustees' training resumed, with a Training Day facilitated by Attend on 19 October 2022. A majority of Trustees also attended a training seminar given by Kreston Reeves (25 July 2023) on Charity Trustees' Responsibilities.

Internal League policies continue to come up for regular review. The annual internal financial review has taken place and work on the Risk Register is ongoing to include the new shop/cafe. It will be kept under review.

7 Take steps to mitigate the environmental impact of the League's operations
During the planning of the new shop/café the environmental impact was a key concern. Data has been submitted to the Carbon Neutral Britain Ltd. As a result, the League has been certified as a Carbon Neutral Organisation. This certification lasts for one year so a new assessment took place in July 2023, following which the Trustees agreed to offset the League's emissions by contributing to the Woodland Trust.

The League complied with recent legislation banning all use of all single use plastics in its operation.

Objectives 2023/24

Many of the 2022/23 Objectives related to continuing activities and have been renewed for 2023/24. The full list set by the Trustees is:

1 Resume regular grants
2 Explore new retail opportunities
3 Increase efficiency of retail operations
4 Enhance communications
5 Develop staff and volunteers
6 Improve governance
7 Mitigate environmental impact

There are specific goals for these Objectives. Responsibility for each of the latter is assigned to an individual Trustee, and progress is regularly reviewed at Trustees' meetings.

FINANCIAL REVIEW

Review of the Financial Position

The financial position is set out on pages 11 to 18. Gross income from the charity's activities operating shops has increased despite the disruption caused by the refurbishment of the retail/cafe area which were closed for a period. Sales totalled £1,466,418 compared to £1,289,902. Gross margins on sales fell from 41.4% to 38.7%.

Increases in staffing and other costs including those resulting from the shop refurbishment led to a contribution from the shops of £191,385 (2022: £243,850). With grants to the Medway NHS Foundation Trust of £120,418, there was a surplus of £83,165. This increased the charity's net assets at the end of the year to £909,934.

The League has spent £461,601 on the fabric of the new shop and equipment. As a result cash at bank and short term monies on deposit fell from £841,608 to £509,656.

Restricted funds

There are restricted funds for Hospital Radio, which are explained in the notes to the financial statements.

Reserves Policy

Last year the Trustees agreed that a Designated Reserve totalling £525,000 should be sufficient to cover the refurbishment project and furnish a provision for costs in the event of business interruption. A significant portion of this sum has been spent on the shop. Monies spent on the structure of the shop are being depreciated over the length of the lease granted to the League by the Hospital, and as such the net book value of £380,731 is regarded as continuing Designated reserves.

As grant making has resumed to the Hospital for specific projects and /or assets, sums committed by the Trustees but not incurred at the year end, which total £123,892, have been allocated to Designated reserves to cover them. All remaining surplus funds will be utilised for the benefit of the Hospital and Medway NHS patients.

Trustees' Responsibilities

The trustees are responsible for preparing the Report of the Trustees 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 Charities SORP;
- make judgements 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

Approved by the trustees on 15th May 2024 and signed on their behalf

Mrs J Harsent, Chairperson

INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF
THE MEDWAY LEAGUE OF FRIENDS

Opinion

We have audited the financial statements of The Medway League of Friends (the 'charity') for the year ended 31 July 2023, which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes, 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 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting practice).

The financial statements have been prepared in accordance with 'Accounting and Reporting by Charities' preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2019.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs at 31 July 2023 and of its income and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis of 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 Auditors 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 United Kingdom, including the Financial Reporting Council'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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees' have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the 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 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 of 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 where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities statement, 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, of have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

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

Capability of the audit in detecting irregularities, including fraud

Based on our understanding of the Charity and the sector as a whole, 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, anti-bribery 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 Charities SORP (FRS 102) Second Edition (released October 2019), and other relevant charity legislation. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. We evaluated Trustees' and 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 related to and determined that the principal risks were related to posting inappropriate journal entries to increase revenue or reduce expenditure and management bias in accounting estimates and judgemental areas of the financial statements. 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 and fraud; and
- challenging assumptions and judgements made by management in its significant accounting estimates; and
- performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; 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

Auditor's responsibilities for the audit of the financial statements (continued)

- review of significant and unusual transactions and evaluation of the underlying financial rationale supporting the transactions; and
- identifying and testing journal entries, in particular any manual entries made at the year-end for financial statement preparation.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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 of 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 my 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 my 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 represent the underlying transactions and events in a matter 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 its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Kreston Reeves LLP

Kreston Reeves LLP
Statutory Auditor

Montague Place
Quayside
Chatham Maritime
Chatham
Kent, ME4 4QU

Date: 23 May 2024

Kreston Reeves LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

THE MEDWAY LEAGUE OF FRIENDS
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JULY 2023

	Notes	Unrestricted fund £	Restricted funds £	Total 2023 £	Total 2022 £
INCOME AND ENDOWMENTS					
Donations and legacies					
- Donations		10,606	1,250	11,856	6,486
- Grants		-	2,500	2,500	7,947
Fundraising		1,817	-	1,817	1,029
Investment income					
- Interest on deposit accounts		4,728	-	4,728	188
Income from charitable activities					
- Operation of shops and trolley		1,466,418	-	1,466,418	1,289,902
TOTAL INCOME		1,483,569	3,750	1,487,319	1,305,552
EXPENDITURE					
Costs of raising funds		1,521	-	1,521	768
Expenditure on charitable activities	**3**	1,405,499	(2,866)	1,402,633	1,291,585
TOTAL EXPENDITURE		1,407,020	(2,866)	1,404,154	1,292,353
NET INCOME		76,549	6,616	83,165	13,199
Total funds brought forward		821,767	5,002	826,769	813,570
TOTAL FUNDS CARRIED FORWARD		898,316	11,618	909,934	826,769

All income and expenditure derive from continuing activities.

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

The notes on pages 13 to 18 form part of these financial statements.

THE MEDWAY LEAGUE OF FRIENDS
BALANCE SHEET
AT 31 JULY 2023

	Notes	2023		2022	
		£	£	£	£
FIXED ASSETS					
Tangible fixed assets	11		456,550		16,058
CURRENT ASSETS					
Stocks		25,461		33,006	
Debtors and prepayments		38,957		2,270	
Investments		121,877		250,180	
Cash at bank and in hand		387,779		591,428	
		574,074		876,884	
CREDITORS: amounts falling due within one year					
Trade creditors		72,871		43,967	
Taxation and social security		3,381		9,683	
Other creditors		44,438		12,523	
		120,690		66,173	
NET CURRENT ASSETS			453,384		810,711
TOTAL ASSETS LESS CURRENT LIABILITIES			**909,934**		**826,769**
FUNDS OF THE CHARITY					
Unrestricted income fund	12		898,316		821,767
Restricted funds	12		11,618		5,002
TOTAL CHARITY FUNDS			**909,934**		**826,769**

The notes on pages 13 to 18 form part of these financial statements.

Approved by the trustees on 15th May 2024

and signed on their behalf

Mrs J Harsent, Chairperson

THE MEDWAY LEAGUE OF FRIENDS
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JULY 2023

	2023 £	2022 £
Cash flows from operating activities:		
Cash used by operations (see below)	124,921	(15,594)
Cash flows from investing activities:		
Purchase of tangible fixed assets	(461,601)	-
Interest received	4,728	188
Net cash provided from (used in) investing activities	(456,873)	188
Change in cash and cash equivalents in the reporting period	(331,952)	(15,406)
Cash and cash equivalents at the beginning of the reporting period	841,608	857,014
Cash and cash equivalents at the end of the reporting period	509,656	841,608

RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023 £	2022 £
Net income for the reporting period (as per the statement of financial activities)	83,165	13,199
Adjustments for:		
Depreciation	21,109	5,362
Interest received	(4,728)	(188)
Decrease in stocks (2022 : increase)	7,545	(6,823)
Increase in debtors (2022 : decrease)	(36,687)	78
Increase in creditors (2022 : decrease)	54,517	(27,222)
Net cash used by operating activities	124,921	(15,594)

1 STATUTORY INFORMATION

The Medway League of Friends is registered in England and Wales under the Charities Act 2011 as a charitable incorporated organisation. The Charity's registered number and registered office address can be found within the Trustees' Report.

2 ACCOUNTING POLICIES

(a) Basis of accounting

The financial statements of the charity, which is a public benefit entity under FRS102, have been prepared in accordance with the Charities SORP (FRS 102) "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)", Financial Reporting Standard 102 "The Financial Standard applicable in the UK and Republic of Ireland" and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

The presentation currency of the financial statements is the Pound Sterling (£), and all amounts are rounded to the nearest Pound.

(b) Going Concern

When preparing the financial statements, the Trustees have assessed whether there are significant doubts about the charity's ability to continue as a going concern. There are no material uncertainties of which the Trustees are aware in making their assessment.

The Trustees consider that the charity has sufficient cash reserves to enable it to meet its obligations as they fall due for a period of at least 12 months from the date of signing of these financial statements. As such, the Trustees are satisfied that the charity has adequate resources to continue to operate for the foreseeable future and they continue to adopt the going concern basis for preparing these financial statements.

(c) Critical accounting estimates and areas of judgement

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

There are no estimates or assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities in the balance sheet. The League plans to redevelop its Main Shop used for its activities and a Designated fund has been set up to cover the anticipated costs. The amount is the best estimate at the time of preparing these financial statements.

(d) Income and debtors

Voluntary income, which includes donations, gifts and legacies, and fundraising income are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Investment income is recognised on a receivable basis and arises from interest bearing deposit accounts.

Income from charitable activities includes the sales from the League's shops at the Medway Maritime Hospital. All amounts exclude value added tax.

Debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid.

(e) Volunteers and donated services and facilities

No value is incorporated into these financial statements for the services provided by volunteers or where services are provided to the charity as a donation that would normally be purchased from suppliers.

2 ACCOUNTING POLICIES (continued)

(f) Expenditure and liabilities

Expenditure is recognised when a liability is incurred. Grant payments are recognised when a liability or constructive obligation arises that results in the payment being unavoidable.

Costs of generating funds are those costs incurred in attracting voluntary income.

Charitable activities include expenditure associated with the League's shops and trolley and grants of equipment and services to the Medway NHS Foundation Trust and others. The expenditure includes both the direct costs and support costs relating to these activities.

Governance and support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

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

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

(g) Financial instruments

The charity enters into basic financial instruments that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans to and from banks, and other third parties. Basic financial instruments are recognised at amortised cost, with changes recognised in the statement of financial activities.

(h) Tangible fixed assets

Fixed assets are stated at historical cost less accumulated depreciation. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset over its estimated useful life at the following rates:

Land and buildings - over the length of the lease	Hospital radio equipment - 10% on cost
Shop equipment - 11%, 15% or 20% on cost	Computer equipment - 33% on cost

Assets which cost less than £1,000 are not capitalised.

(i) Stocks

Stocks are included at the lower of cost and net realisable value. Stocks consists of goods for resale from the shops and trolley.

(j) Cash at bank and in hand

Cash at bank and in hand includes cash and deposits that are available to finance the League's day to day operations and have a maturity of three months or less from the date of acquisition, excluding amounts held as part of an investment portfolio.

(k) Funds structure

The charity has restricted income funds to account for situations where a donor requires that a donation must be spent on a particular purpose or where funds have been raised for a specific purpose.

Other funds are unrestricted income funds. Within those amounts the Trustees create Designated funds for particular purposes, such as the redevelopment of the Main Shop. Also the trustees receive requests from Medway NHS Foundation Trust to make donations and purchase equipment for the Trust. Once the trustees agree that they will offer financial support, a transfer is made to a designated fund for that purpose.

Unrestricted income funds not designated are general reserves available to meet the League's objectives.

3 EXPENDITURE ON CHARITABLE ACTIVITIES

	Operation of shops and trolley	Grants payable	Hospital Radio	Total 2023	Total 2022
	£	£	£	£	£
Shop purchases for resale	898,207	-	-	898,207	755,925
Wages and salaries (see note 7)	272,756	-	-	272,756	227,242
Purchase of equipment and other donations (see note 6)	-	120,418	-	120,418	231,924
Bank and card charges and cash processing fees	20,903	-	-	20,903	21,183
Travel and motor expenses	5,007	-	-	5,007	4,589
Depreciation	20,228	-	881	21,109	5,362
Equipment maintenance and computer costs	16,908	-	1,347	18,255	12,628
Printing postage and stationery	6,222	-	-	6,222	5,050
Telephone and other costs	17,499	-	3,222	20,721	8,298
Governance and support costs (see note 4)	17,303	1,657	75	19,035	19,384
	1,275,033	122,075	5,525	1,402,633	1,291,585

The expenditure has been allocated to restricted and unrestricted funds as follows:

Unrestricted	1,405,499	1,281,664
Restricted	(2,866)	9,921
	1,402,633	1,291,585

4 GOVERNANCE AND SUPPORT COSTS

	Charitable activities	Governance	Total 2023	Total 2022
	£	£	£	£
Audit fees	-	7,440	7,440	4,150
Accountancy costs	-	1,985	1,985	6,020
Attend subscription and insurance	1,445	-	1,445	1,609
Shop development	-	-	-	3,763
Legal and professional fees	-	1,523	1,523	338
Staff entertaining	5,015	-	5,015	2,075
Rent	1,057	-	1,057	803
Sundries	570	-	570	626
	8,087	10,948	19,035	19,384

5 SUPPORT FOR CHARITABLE ACTIVITIES

This table shows the income arising from and the costs for the operation of the shops and trolley and the surplus that arises therefrom which provides additional support for charitable activities. In the previous year the Government provided grants to support jobs, without which there would have been a loss.

	2023	2022
	£	£
Income	1,466,418	1,289,902
Costs	(1,275,033)	(1,046,052)
Net funding for other activities	191,385	243,850

6 GRANTS PAYABLE

	2023	2022
	£	£
Medway NHS Foundation Trust	120,418	231,924

Grants to Medway NHS Foundation Trust are for the purchase of equipment and for the funding of various projects and services. The main items funded are:

	£	£
15 defibrillators - throughout the hospital	94,935	-
3 gynae couches - Colposcopy department	11,315	-
2 Jaundice meters - Maternity and community use	7,798	-
Baby simulation manikins - Neonatal unit	5,545	-
Pharmacy refrigerator - Endocrine department	825	-
Fibroscan - Gastroenterology (Outpatient)	-	88,150
Infusion Pumps (Dolphin & Panda) - Paediatrics	-	46,050
3 Patient Monitors - Delivery suite	-	30,754
Contribution towards memorial garden	-	30,000
2 Criticool Units - Neonatal	-	27,516
75 Asset Monitoring Tags for falls equipment - Falls Service	-	9,454

7 STAFF COSTS AND NUMBERS

	2023	2022
	£	£
Wages and salaries	258,567	215,903
Social security costs	10,114	7,987
Employer's contribution to defined contribution pension scheme	4,075	3,352
	272,756	227,242

The average monthly number of employees during the year was 17 (2022 : 16). No employees received emoluments in excess of £60,000.

There are no key management personnel other than the trustees in this, or the previous, year.

8 TRUSTEE REMUNERATION

None of the trustees have been paid any remuneration or received any other benefits. Three trustees have been reimbursed £571 for expenses incurred on behalf of the League (2022 : two trustees reimbursed a total of £444). This was in relation to reinbursement of meeting expenses.

9 RELATED PARTY TRANSACTIONS

There are no related party transactions in the current year or previous year.

10 TAXATION

The League is a registered charity and no provision is considered necessary for taxation.

11 TANGIBLE FIXED ASSETS

	Land and buildings £	Fittings and equipment £	TOTAL £
Cost			
- at 1 August 2022	-	36,924	36,924
- additions	389,839	71,762	461,601
- disposals	-	(25,798)	(25,798)
- at 31 July 2023	389,839	82,888	472,727
Depreciation			
- at 1 August 2022	-	20,866	20,866
- charge for year	9,108	12,001	21,109
- disposals	-	(25,798)	(25,798)
- at 31 July 2023	9,108	7,069	16,177
Net book values			
- at 31 July 2023	380,731	75,819	456,550
- at 31 July 2022	-	16,058	16,058

12 STATEMENT OF CHANGES IN EQUITY

CURRENT YEAR	General fund £	Designated fund £	Unrestricted funds £	Restricted funds £	Total £
Balance at 1 August 2022	296,767	525,000	821,767	5,002	826,769
Income	1,483,569	-	1,483,569	3,750	1,487,319
Expenditure	(1,407,020)	-	(1,407,020)	2,866	(1,404,154)
Allocation of funds	20,377	(20,377)	-	-	-
Balance at 31 July 2023	393,693	504,623	898,316	11,618	909,934
The funds held at the year-end date are as follows:					
- Fixed assets	69,659	380,731	450,390	6,160	456,550
- Cash	258,429	123,892	382,321	5,458	387,779
- Net other current assets	65,605	-	65,605	-	65,605
- Total funds	393,693	504,623	898,316	11,618	909,934

PRIOR YEAR	General fund £	Designated fund £	Unrestricted funds £	Restricted funds £	Total £
Balance at 1 August 2021	802,773	-	802,773	10,797	813,570
Income	1,301,426	-	1,301,426	4,126	1,305,552
Expenditure	(1,282,432)	-	(1,282,432)	(9,921)	(1,292,353)
Allocation of funds	(525,000)	525,000	-	-	-
Balance at 31 July 2022	296,767	525,000	821,767	5,002	826,769
The funds held at the year-end date are as follows:					
- Fixed assets	9,008	-	9,008	7,050	16,058
- Cash	66,428	525,000	591,428	-	591,428
- Net other current assets	221,331	-	221,331	(2,048)	219,283
- Total funds	296,767	525,000	821,767	5,002	826,769

12 STATEMENT OF CHANGES IN EQUITY (continued)

The Designated fund represents the net book value of the land and buildings shown in note 11 resulting from the shop refurbishment plus commitments made before the year-end date to the Medway NHS Foundation Trust for grants.

The restricted funds are in relation to Hospital Radio and represent several grants for capital equipment and running costs. The balance carried forward at the year-end date represents the net book value of the equipment funded (and included in fixed assets in note 11) and unspent monies for running costs to be incurred in the following year.

THE MEDWAY LEAGUE OF FRIENDS

England & Wales - Charity number 1172065

Accounts

THE MEDWAY LEAGUE OF FRIENDS

CHARITY REGISTRATION NO: 1172065

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2022

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THE MEDWAY LEAGUE OF FRIENDS
TRUSTEES' REPORT

The trustees present their fifth report with the financial statements of the charity for the year ended 31 July 2022.

ADMINISTRATIVE DETAILS

Charity registration number	1172065
Principal address	Medway Maritime Hospital Windmill Road Gillingham Kent ME7 5NY
Trustees	Mrs J Harsent - chairperson Mrs E Norman S Towsey C H Silk Mrs M Cogger Ms H Belcher T Higgins P McKenna Ms D Peers - appointed 2 December 2021 S Dansie - appointed 9 February 2022 J C H Weir - appointed 22 June 2022 and resigned 14 November 2022 J Spence - resigned 4 May 2022 D May - resigned 27 April 2022
Auditors	Kreston Reeves Montague Place Quayside Chatham Maritime Chatham Kent, ME4 4QU
Bankers	Lloyds Bank plc 142-146 High Street Chatham Kent, ME4 4DQ

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The charity is a charitable incorporated organisation registered with the Charities Commission on 15 March 2017 and governed by its constitution adopted 8 March 2017.

Appointment of Trustees

Many of the trustees named above are the first trustees appointed in the charity's constitution. At the first annual general meeting all trustees retired from office and were re-appointed. At the subsequent meetings one third of the total number retire by rotation. Trustees are appointed by the members at the annual general meeting and their number shall not be less than four.

Appointment of Trustees (continued)
New trustees would require some experience of the sector in which the charity operates and be appropriate for the League. They would usually be invited by existing trustees to consider standing for election.

Organisation and Decisions

The trustees meet at least four times a year to manage the League's affairs. In the 2021/2 year the trustees met seven times, all by video link. This Committee consists of a Chairman, Vice Chairman, Treasurer and Secretary and between one and eleven other persons. No person shall be a member of the Committee who is not a member of the League itself.

The Committee are assisted by managers and organisers of the League's shops and a representative of the Medway NHS Foundation Trust. An operations manager has day to day control over its employed staff and the many volunteers.

Affiliations

The League is a member of Attend, which exists to promote and develop the role of volunteers in our health and social services throughout the UK.

OBJECTIVES AND ACTIVITIES

Objectives

The objects of the charity are the relief of sickness and the promotion of the good health and wellbeing of patients of NHS services in Medway, in particular the patients of the Medway Maritime Hospital Trust, through the provision of grants, items and services, funded where possible by the work of volunteers.

Public Benefit

In accordance with the Charities Acts and Regulations, the trustees have had due regard to the guidance published by the Charity Commission on the requirement that the objectives and work undertaken by the League are in line with charitable objects and do provide benefit for the public.

In 2018, the charity took over the activities previously carried on by the 'Medway League of Friends' whose original aim was to provide those 'little extras' for patients and staff in the then local hospitals (latterly just the Medway Maritime Hospital) that the NHS cannot always provide. Over time those 'little extras' have turned into vital pieces of medical equipment, furniture and other amenities. The difference, that the charity intends to continue through its activities, is to help speed patients' recovery and get them back to their homes and loved ones and to do this wherever possible though the services of volunteers from the community.

Aims and Activities

The main objective for the year under review was to continue the provision of services through sales at the League's shops at the Medway Maritime Hospital.

During the year the League operated two shops at the Medway Maritime Hospital: the main shop / refreshment area and a 24-hour kiosk in A&E, so that patients, visitors and hospital staff can always get a snack or a hot drink whatever the time of day or night.

Hospital Radio Medway is a part of the League, and broadcasts 24 hours of programmes each and every day, including record requests, themed music and items of local interest to the patients.

The League makes significant use of volunteers in the course of undertaking its charitable and income generating activities. The volunteers carry out many of the duties required to operate the shops.

THE MEDWAY LEAGUE OF FRIENDS
TRUSTEES' REPORT

Impact Statement

In normal times the League makes grants from its accumulated surplus to fund items of medical equipment or amenities for patients. Continuing pandemic restrictions for most of the year inhibited trading, and meant that the usual grant making remained suspended. However the release of funds from the former Coffee Shop Project (cancelled March 2021) allowed the award of grants for five capital bids totalling £201,924.



2 x CRITICOOL UNITS – NEONATAL UNIT - £27,516

This equipment is used for cooling babies who will fall under the BAPM guidance (2020). Therapeutic hypothermia is the gold standard treatment for infants with moderate to severe hypoxic ischemic encephalopathy, whereby the neonate's core body temperature is decreased within 6 hours after birth followed by slowed rewarming for neuroprotection.

The equipment is a small refrigeration unit which circulates chilled water in a jacket to cool the baby, induce hypothermia and protect the brain from damage during a shortage of oxygen. Early on units were crude and could over cool, but these units are state of the art with improved technology.



30 x INFUSION PUMPS – PAEDIATRIC WARDS - £46,050

These pumps provide safer infusions by preventing pressure build up at the cannula site and were purchased to replace older versions of the pumps.



DELIVERY SUITE – RECOVERY MONITORING EQUIPMENT - £30,754

3 x monitors were purchased to replaced old equipment and to provide a uniform equipment portfolio with increased reliability. These monitors are used to provide information on real-time vital signs at the point of care.



FIBROSCAN HEPATIC ULTRASOUND - £88,150

This ultrasound machine is used to detect liver disease at an early stage and is used in the Out Patient Department.

75 x FALLS TAGS - £9,452

These tags are fixed to various items of equipment and provide a means of locating each in real time from a PC, and tracking where the equipment is and has been. The tags are to be used for falls equipment and can also track where the equipment has been used. This makes the equipment available 24/7 so that should a falls alarm be required, one can be located instantly. The system will also enable audits to be carried out so that the location of all falls alarms will be known and to ensure that they are used appropriately and also that patients are actually using them. All of these functions contribute to better patient safety and care.

The League also made a contribution of £30,000 to the Hospital Trust's Reflection Garden, which was opened on 26 April 2022.

Donations

The League's income is supplemented by donations. These picked up with the slow return to more normal conditions. At £6,486, it is significantly ahead of the 2020/21 figure.

Achievements

The League of Friends

The pandemic and associated restrictions continued to affect business, and it was not until the final quarter that more normal trading conditions returned, with customers returning to the Shop in numbers. This allowed the League, at the very end of the year, to lift its suspension on grant making. This was a significant step back towards normality. While, because of the cost of living problems, trading will take a long time to recover to pre-pandemic levels the fact that the League can begin to replenish its grant funds from revenue is a major achievement. It was only made possible by the unstinting efforts of the staff and the volunteers, for which the Trustees are most grateful.

The other main achievement of 2021/22 was the concluding of a 10 year lease with the Hospital Trust. This was signed on 18 May 2022. It covers the present Main Shop and adjoining seating area. It is the first time the League has had a lease with the Hospital Trust, who generously waived rent. In consequence the Trustees have been able to begin planning a refurbishment encompassing the whole area, using the remaining funds from the defunct Coffee Shop Project. This will be a major undertaking for 2022/23.

Hospital Radio Medway ("HRM")

- Broadcasting Service
  In February 2022 the FM service received a boost when Ofcom agreed to a request for a tenfold increase in transmitter power from 50 to 500 mWatts. This has given us a much better reception within the hospital.

  The key aim of providing patients with the ability to listen to HRM whilst in the hospital was helped by a grant from the Medway Towns Soroptimist Trust which was used to purchase 10 FM / DAB radios; a donation from the Rotary Group in Medway financed 31 more. These combined with radios previously purchased from a grant from the National Lottery Community Fund mean we have distributed over 80 radios around the hospital wards.

  HRM also continued to provide an internet streaming service which is available through our website hospitalradiomedway.co.uk or on internet radio apps Tune In, My Tuner or Radio Garden. For listening hours through the internet the average number of hours streamed per month is 2,464 hours through the external internet and 730 hours on the NHS internal internet. Note that not all hours streamed externally can be attributed to patients in the hospital.

- Programming
  HRM continued to broadcast programmes 24 hours a day 7 days a week with a mix of live and pre-recorded programmes with new and updated programmes being added all the time. The live request programme remains a popular broadcast every evening between 8.00 p.m. and 10.00 p.m.. Patients can request their favourite music through our ward reps, by phone, e-mail and via a dedicated text line. The number of requests received each night varies with the average being 15 collected from the wards and 2 or 3 via text.

  HRM was proud to win Gold for the Best Programme with Multiple Presenters at the 2022 Hospital Broadcasting Association (HBA) Awards which went to The Heff & Beth Show presented by Liam & Beth Heffernan. The judges said: *"There's a refreshing and lovely honesty to their style. Plenty of funny moments that made us laugh out loud, coupled with more serious moments which made this entry compelling and interesting. Love them"*

- Funding
  HRM has been very fortunate to receive a number of generous grants and donations during 2021/22 from organisations and individuals including:
  - National Lottery Community Fund of £2,677 towards our running costs
  - Co-op Local Community Fund Donation £2,425 to update facilities to provide FM broadcasting
  - Tesco / Groundworks £1,000 to purchase a Sonifex Audio Logger

- Funding (continued)
  A full list of all the donations received can be found on the HRM website and in the annual magazine. Other fundraising recommenced including the HRM quiz (October 2021 : £650) and a stall at the Sweeps Festival (May 2022 : £325). Radio broadcasting running costs are high and increasing, and continual fund-raising efforts are necessary to enable HRM to continue on a sound financial basis.

Progress against objectives

Progress on the objectives which the Trustees set for 2021/22 was as follows:

1 Settle the status of the League's premises within the Hospital
Achieved through the signing of the lease for the Main Shop area (18 May 2022).

2 Renew the retail offer
The planning of the refurbishment of the Main Shop area began after the signing of the lease, and is the League's major project for 2022/23.

3 Re-instate financial support for the Hospital Trust
Done (July 2022).

4 Enhance communications
The initial re-launch of the website is complete. Talks to local Groups in Medway continued and work and Duke of Edinburgh placements for youngsters resumed. Opportunities to publicise the League and Hospital Radio through the Hospital Trust's media were taken, and plans laid to make full use of the refurbished Main Shop for the same purpose.

5 Develop staff and encourage Volunteers
Staff are appraised annually using a format that recognises achievement and sets challenging and realistic agreed goals for the next year. Training needs are also identified and addressed. For 2020/21 and 2021/22 the Operations Manager was appraised by the Treasurer.

Star Awards will continue to be awarded to a nominated volunteer twice yearly, at the Summer Tea Party (which re-started after the pandemic in July) and the Xmas lunch, along with any Long Service awards.

Also as pandemic restrictions lifted we were able to re-introduce placements for young volunteers on work experience or the Duke of Edinburgh Award Scheme. They are being encouraged to complete some basic training courses to acquire certified skills to take forward.

6 Increase and diversify the Trustee Board, and implement succession plans
Three new trustees joined in 2021/22 and the training programme for all trustees was planned, beginning with a one-day update on Charity Board responsibilities (October 2022). There has been no progress on succession planning, which is carried over into 2022/23.

7 Improve the governance of the League
A review of compliance with key Charity Commission guidance was undertaken, identifying areas to address in 2022/23. The annual review of internal financial control took place in March 2022.

A cycle of reviews for all internal policies has been established, and is being implemented.

Risk register monitoring was identified for review, and included in the Trustees' training programme; steps have been agreed for action in 2022/23, following the course in October. That course also covered the issues involved in creating a retail subsidiary; these will be re-considered by Trustees in 2022/23.

8 Take steps to mitigate the environmental impact of the League's operations
An environmental impact report was commissioned to determine the carbon offset needed (results came August 2022). Meanwhile further steps were taken to reduce plastic packaging for items sold in the League shops .

Objectives 2022/23

Most of the 2021/22 Objectives have been carried forward into 2022/23. The full list set by the Trustees for the new financial year is;

1 Resume Grants to Medway NHS
2 Renew retail offer
3 Increase efficiency of retail operations
4 Enhance communications
5 Develop staff and volunteers
6 Improve governance
7 Mitigate environmental impact

There are specific goals and lead Trustees assigned to each of these Objectives. Progress is reviewed during the year at Trustees' meetings.

The Main Shop Refurbishment Project is a major part of renewing the retail offer (2 above). Carrying out the work will necessitate closing off the premises but the League will make every effort to provide a basic service for customers. The time will also be used to prepare staff and volunteers for the new work and shift patterns which will be required to run the new Shop.

FINANCIAL REVIEW

Review of the Financial Position

The financial position is set out on pages 11 to 18. Income from the charity's activities operating shops has almost doubled during the year to £1,289,902 following the lifting of restrictions caused by the COVID-19 pandemic.

Gross margins on sales have increased marginally to 41.4% from 41.1%.

In the previous year the League showed net expenditure of £88,324 after making one grant to Medway NHS Foundation Trust of £96,200, and that was from restricted funds which had been held for a number of years awaiting a suitable project. The shops had made a £4,846 surplus with government support for job retention. This year following the pandemic the shops have made a contribution of £243,850 and grant making continued. There is an overall surplus of £13,199. This increased the charity's net assets at the end of the year to £826,769 with cash at bank of £591,428.

Restricted funds

As reported last year, the Trustees had used the Medway Scanner Appeal Fund (£94,653) to contribute towards a major project for the Breast Unit, a new scanner with a tomosynthesis attachment. The formal opening of this machine took place on 7 July 2022.

There are restricted funds for Hospital Radio, which is explained in the notes to the financial statements.

Reserves Policy

The Trustees keep under review the need for unrestricted and undesignated reserves. As indicated last year, the Trustees had decided to use part of the defunct Coffee Shop Reserve, brought forward at the beginning of 2021/22, for capital grants and the rest on the refurbishment of the Main Shop. The latter project will proceed in 2022/23, following the signing of the lease for the area. The Trustees have agreed that a Designated Reserve totalling £525,000 should be sufficient to cover this project and furnish a provision for costs in the event of business interruption. This sum has been carried over the 2022/23 financial year.

Following the disruption of the pandemic grant-making continued at the end of 2021/22. Three grants for small items were awarded but not paid by 31 July 2022. A sum of £22,386 was therefore carried forward to cover them. All remaining surplus funds will be utilised for the benefit of the Hospital and Medway NHS patients.

THE MEDWAY LEAGUE OF FRIENDS
TRUSTEES' REPORT

Trustees' Responsibilities

The trustees are responsible for preparing the Report of the Trustees 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 Charities SORP;
- make judgements 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

Approved by the trustees on 30 May 2023 and signed on their behalf

Mrs J Harsent, Chairperson

INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF
THE MEDWAY LEAGUE OF FRIENDS

Opinion

We have audited the financial statements of The Medway League of Friends (the 'charity') for the year ended 31 July 2022, which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes, 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 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting practice).

The financial statements have been prepared in accordance with 'Accounting and Reporting by Charities' preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2019.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs at 31 July 2022 and of its income and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis of 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 Auditors 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 United Kingdom, including the Financial Reporting Council'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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees' have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the 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 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 of 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 where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities statement, 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, of have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

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

Capability of the audit in detecting irregularities, including fraud

Based on our understanding of the Charity and the sector as a whole, 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, anti-bribery 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 Charities SORP (FRS 102) Second Edition (released October 2019), and other relevant charity legislation. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. We evaluated Trustees' and 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 related to and determined that the principal risks were related to posting inappropriate journal entries to increase revenue or reduce expenditure and management bias in accounting estimates and judgemental areas of the financial statements. 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 and fraud; and
- challenging assumptions and judgements made by management in its significant accounting estimates; and
- performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; 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

Auditor's responsibilities for the audit of the financial statements (continued)

- review of significant and unusual transactions and evaluation of the underlying financial rationale supporting the transactions; and
- identifying and testing journal entries, in particular any manual entries made at the year-end for financial statement preparation.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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 of 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 my 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 my 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 represent the underlying transactions and events in a matter 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 its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Kreston Reeves LLP
Statutory Auditor

Montague Place
Quayside
Chatham Maritime
Chatham
Kent, ME4 4QU

30 May 2023

Kreston Reeves LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

THE MEDWAY LEAGUE OF FRIENDS
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JULY 2022

	Notes	Unrestricted fund £	Restricted funds £	Total 2022 £	Total 2021 £
INCOME AND ENDOWMENTS					
Donations and legacies					
- Donations		6,486	-	6,486	4,299
- Grants	**3**	3,821	4,126	7,947	35,016
Fundraising		1,029	-	1,029	-
Investment income					
- Interest on deposit accounts		188	-	188	123
Income from charitable activities					
- Operation of shops and trolley		1,289,902	-	1,289,902	655,088
TOTAL INCOME		1,301,426	4,126	1,305,552	694,526
EXPENDITURE					
Costs of raising funds		768	-	768	-
Expenditure on charitable activities	**4**	1,281,664	9,921	1,291,585	782,850
TOTAL EXPENDITURE		1,282,432	9,921	1,292,353	782,850
NET INCOME (EXPENDITURE)		18,994	(5,795)	13,199	(88,324)
Total funds brought forward		802,773	10,797	813,570	901,894
TOTAL FUNDS CARRIED FORWARD		821,767	5,002	826,769	813,570

All income and expenditure derive from continuing activities.

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

The notes on pages 14 to 18 form part of these financial statements.

THE MEDWAY LEAGUE OF FRIENDS
BALANCE SHEET
AT 31 JULY 2022

	Notes	2022		2021	
		£	£	£	£
FIXED ASSETS					
Tangible fixed assets	**11**		16,058		21,420
CURRENT ASSETS					
Stocks		33,006		26,183	
Debtors and prepayments		2,270		2,348	
Investments		250,180		250,043	
Cash at bank and in hand		591,428		606,971	
		876,884		885,545	
CREDITORS: amounts falling due within one year					
Trade creditors		43,967		35,384	
Taxation and social security		9,683		10,853	
Other creditors		12,523		47,158	
		66,173		93,395	
NET CURRENT ASSETS			810,711		792,150
TOTAL ASSETS LESS CURRENT LIABILITIES			**826,769**		**813,570**
FUNDS OF THE CHARITY					
Unrestricted income fund	**12**		821,767		802,773
Restricted funds	**12**		5,002		10,797
TOTAL CHARITY FUNDS			**826,769**		**813,570**

The notes on pages 14 to 18 form part of these financial statements.

Approved by the trustees on 30 May 2023 and signed on their behalf

Mrs J Harsent, Chairperson

THE MEDWAY LEAGUE OF FRIENDS
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JULY 2022

	2022 £	2021 £
Cash flows from operating activities:		
Cash used by operations (see below)	(15,594)	(16,289)
Cash flows from investing activities:		
Purchase of tangible fixed assets	-	(9,795)
Interest received	188	123
Net cash provided from (used in) investing activities	188	(9,672)
Change in cash and cash equivalents in the reporting period	(15,406)	(25,961)
Cash and cash equivalents at the beginning of the reporting period	857,014	882,975
Cash and cash equivalents at the end of the reporting period	841,608	857,014

RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022 £	2021 £
Net income for the reporting period (as per the statement of financial activities)	13,199	(88,324)
Adjustments for:		
Depreciation	5,362	5,828
Interest received	(188)	(123)
Increase in stocks (2021 : decrease)	(6,823)	7,207
Decrease in debtors	78	3,821
Decrease in creditors (2021 : increase)	(27,222)	55,302
Net cash used by operating activities	(15,594)	(16,289)

1 STATUTORY INFORMATION

The Medway League of Friends is registered in England and Wales under the Charities Act 2011 as a charitable incorporated organisation. The Charity's registered number and registered office address can be found within the Trustees' Report.

2 ACCOUNTING POLICIES

(a) Basis of accounting

The financial statements of the charity, which is a public benefit entity under FRS102, have been prepared in accordance with the Charities SORP (FRS 102) "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)", Financial Reporting Standard 102 "The Financial Standard applicable in the UK and Republic of Ireland" and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

The presentation currency of the financial statements is the Pound Sterling (£), and all amounts are rounded to the nearest Pound.

(b) Going Concern

When preparing the financial statements, the Trustees have assessed whether there are significant doubts about the charity's ability to continue as a going concern. There are no material uncertainties of which the Trustees are aware in making their assessment.

The Trustees consider that the charity has sufficient cash reserves to enable it to meet its obligations as they fall due for a period of at least 12 months from the date of signing of these financial statements. As such, the Trustees are satisfied that the charity has adequate resources to continue to operate for the foreseeable future and they continue to adopt the going concern basis for preparing these financial statements.

(c) Critical accounting estimates and areas of judgement

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

There are no estimates or assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities in the balance sheet. The League plans to redevelop its Main Shop used for its activities and a Designated fund has been set up to cover the anticipated costs. The amount is the best estimate at the time of preparing these financial statements.

(d) Income and debtors

Voluntary income, which includes donations, gifts and legacies, and fundraising income are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Investment income is recognised on a receivable basis and arises from interest bearing deposit accounts.

Income from charitable activities includes the sales from the League's shops at the Medway Maritime Hospital. All amounts exclude value added tax.

Debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid.

(e) Volunteers and donated services and facilities

No value is incorporated into these financial statements for the services provided by volunteers or where services are provided to the charity as a donation that would normally be purchased from suppliers.

(f) Government grants

Government grants in relation to COVID-19 are recognised on the accruals basis and credited to the Statement of Financial Activities as is any related expenditure.

2 ACCOUNTING POLICIES (continued)

(g) Expenditure and liabilities

Expenditure is recognised when a liability is incurred. Grant payments are recognised when a liability or constructive obligation arises that results in the payment being unavoidable.

Costs of generating funds are those costs incurred in attracting voluntary income.

Charitable activities include expenditure associated with the League's shops and trolley and grants of equipment and services to the Medway NHS Foundation Trust and others. The expenditure includes both the direct costs and support costs relating to these activities.

Governance and support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

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

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

(h) Financial instruments

The charity enters into basic financial instruments that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans to and from banks, and other third parties. Basic financial instruments are recognised at amortised cost, with changes recognised in the statement of financial activities.

(i) Tangible fixed assets

Fixed assets are stated at historical cost less accumulated depreciation. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset over its estimated useful life at the following rates:

Computer equipment - 33% on cost
Hospital radio equipment - 10% on cost
Other assets - 15% on cost

Assets which cost less than £1,000 are not capitalised.

(j) Stocks

Stocks are included at the lower of cost and net realisable value. Stocks consists of goods for resale from the shops and trolley.

(k) Cash at bank and in hand

Cash at bank and in hand includes cash and deposits that are available to finance the League's day to day operations and have a maturity of three months or less from the date of acquisition, excluding amounts held as part of an investment portfolio.

(l) Funds structure

The charity has restricted income funds to account for situations where a donor requires that a donation must be spent on a particular purpose or where funds have been raised for a specific purpose.

Other funds are unrestricted income funds. Within those amounts the Trustees create Designated funds for particular purposes, such as the redevelopment of the Main Shop. Also the trustees receive requests from Medway NHS Foundation Trust to make donations and purchase equipment for the Trust. Once the trustees agree that they will offer financial support, a transfer is made to a designated fund for that purpose.

Unrestricted income funds not designated are general reserves available to meet the League's objectives.

3 GRANTS

	Unrestricted fund	Restricted funds	Total 2022	Total 2021
	£	£	£	£
Government grants for pandemic support				
- Job Retention Scheme	-	-	-	24,139
Other grants	3,821	4,126	7,947	10,877
	3,821	4,126	7,947	35,016

4 EXPENDITURE ON CHARITABLE ACTIVITIES

	Operation of shops and trolley	Grants payable	Hospital Radio	Total 2022	Total 2021
	£	£	£	£	£
Shop purchases for resale	755,925	-	-	755,925	386,093
Wages and salaries (see note 8)	227,242	-	-	227,242	208,562
Purchase of equipment and other donations (see note 7)	-	231,924	-	231,924	96,200
Bank and card charges and cash processing fees	21,183	-	-	21,183	11,686
Travel and motor expenses	4,589	-	-	4,589	3,306
Depreciation	4,481	-	881	5,362	5,828
Equipment maintenance and computer costs	7,565	-	5,063	12,628	9,998
Printing postage and stationery	5,050	-	-	5,050	3,598
Telephone and other costs	4,321	-	3,977	8,298	4,353
Governance and support costs (see note 5)	15,696	3,549	139	19,384	53,226
	1,046,052	235,473	10,060	1,291,585	782,850

The expenditure has been allocated to restricted and unrestricted funds as follows:

Unrestricted	1,281,664	678,117
Restricted	9,921	104,733
	1,291,585	782,850

5 GOVERNANCE AND SUPPORT COSTS

	Charitable activities	Governance	Total 2022	Total 2021
	£	£	£	£
Audit fees	-	4,150	4,150	3,750
Accountancy costs	-	6,020	6,020	8,295
Attend subscription and insurance	1,609	-	1,609	1,428
Shop development (2021 : abortive work)	3,763	-	3,763	36,275
Legal and professional fees	-	338	338	2,635
Staff entertaining	2,075	-	2,075	-
Rent	803	-	803	444
Sundries	626	-	626	399
	8,876	10,508	19,384	53,226

6 SUPPORT FOR CHARITABLE ACTIVITIES

This table shows the income arising from and the costs for the operation of the shops and trolley and the surplus that arises therefrom which provides additional support for charitable activities. In the previous year the Government provided grants to support jobs, without which there would have been a loss.

	2022	2021
	£	£
Income	1,289,902	655,088
Costs	(1,046,052)	(674,381)
Net cost of shops and trolley	243,850	(19,293)
Government grants under Coronavirus Job Retention Scheme	-	24,139
Net funding for other activities	243,850	4,846

7 GRANTS PAYABLE

	2022	2021
	£	£
Medway NHS Foundation Trust	231,924	96,200

Grants to Medway NHS Foundation Trust are for the purchase of equipment and for the funding of various projects and services. The main items funded are:

	£	£
Fibroscan - Gastroenterology (Outpatient)	88,150	-
Infusion Pumps (Dolphin & Panda) - Paediatrics	46,050	-
3 Patient Monitors - Delivery suite	30,754	-
Contribution towards memorial garden	30,000	-
2 Criticool Units - Neonatal	27,516	-
75 Asset Monitoring Tags for falls equipment - Falls Service	9,454	-
Breast Unit Scanner with Tomosynthesis attachment	-	96,200

8 STAFF COSTS AND NUMBERS

	2022	2021
	£	£
Wages and salaries	215,903	197,942
Social security costs	7,987	7,569
Employer's contribution to defined contribution pension scheme	3,352	3,051
	227,242	208,562

Wages and salaries includes statutory redundancy payments of £nil (2021 : £6,317).

The average monthly number of employees during the year was 16 (2021 : 14). No employees received emoluments in excess of £60,000.

There are no key management personnel other than the trustees in this, or the previous, year.

9 TRUSTEE REMUNERATION

None of the trustees have been paid any remuneration or received any other benefits. Two trustees have been reimbursed £444 for expenses incurred on behalf of the League (2021 : one trustee reimbursed a total of £130).

10 RELATED PARTY TRANSACTIONS

There are no related party transactions in the current year or previous year.

11 TANGIBLE FIXED ASSETS

Fixtures, fittings and equipment

	£
Cost	
- at 1 August and 31 July 2022	36,924
Depreciation	
- at 1 August 2021	15,504
- charge for year	5,362
- at 31 July 2022	20,866
Net book values	
- at 31 July 2022	16,058
- at 31 July 2021	21,420

12 STATEMENT OF CHANGES IN EQUITY

CURRENT YEAR	General fund	Designated fund	Unrestricted funds	Restricted funds	Total
	£	£	£	£	£
Balance at 1 August 2021	802,773	-	802,773	10,797	813,570
Income	1,301,426	-	1,301,426	4,126	1,305,552
Expenditure	(1,282,432)	-	(1,282,432)	(9,921)	(1,292,353)
Allocation of funds	(525,000)	525,000	-	-	-
Balance at 31 July 2022	296,767	525,000	821,767	5,002	826,769

The funds held at the year-end date are as follows:

- Fixed assets	9,008	-	9,008	7,050	16,058
- Cash	66,428	525,000	591,428	-	591,428
- Net other current assets	221,331	-	221,331	(2,048)	219,283
- Total funds	296,767	525,000	821,767	5,002	826,769

PRIOR YEAR	General fund	Designated fund	Unrestricted funds	Restricted funds	Total
	£	£	£	£	£
Balance at 1 August 2020	797,241	-	797,241	104,653	901,894
Income	683,649	-	683,649	10,877	694,526
Expenditure	(678,117)	-	(678,117)	(104,733)	(782,850)
Balance at 31 July 2021	802,773	-	802,773	10,797	813,570

The funds held at the year-end date are as follows:

- Fixed assets	13,500	-	13,500	7,920	21,420
- Cash	604,094	-	604,094	2,877	606,971
- Net other current assets	185,179	-	185,179	-	185,179
- Total funds	802,773	-	802,773	10,797	813,570

12 STATEMENT OF CHANGES IN EQUITY (continued)

The designated fund represents the potential cost of the refurbishment of the Main Shop and a provision for costs in the event of business interruption.

The restricted funds are in relation to Hospital Radio and represent several grants from the National Lottery Awards, World Mission, Kent Community Foundation and Tesco plc which are variously for capital equipment and running costs. The balance carried forward at the year end date represents the net book value of the equipment funded (and included in fixed assets in note 12) and unspent monies for running costs to be incurred in the following year.

At the year end date the League had received requests from Medway NHS Foundation Trust to make donations and purchase equipment for the Trust to the value of £22,386. The trustees have agreed that they will offer financial support, but at the year end date no commitment had yet been made to the Trust and hence no liability provided in these accounts.

13 TAXATION

The League is a registered charity and no provision is considered necessary for taxation.

THE MEDWAY LEAGUE OF FRIENDS

England & Wales - Charity number 1172065

Accounts

THE MEDWAY LEAGUE OF FRIENDS

CHARITY REGISTRATION NO: 1172065

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2021

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Management Schedules	19 to 20

THE MEDWAY LEAGUE OF FRIENDS
TRUSTEES' REPORT

The trustees present their fourth report with the financial statements of the charity for the year ended 31 July 2021. This is their third report since the transfer of the charity's activities from the "Medway League of Friends", to this Charitable Incorporated Organisation on 1 August 2018.

ADMINISTRATIVE DETAILS

Charity registration number	1172065
Principal address	Medway Maritime Hospital Windmill Road Gillingham Kent ME7 5NY
Trustees	J Spence D May Mrs E Norman S Towsey Mrs J Harsent C H Silk Mrs M Cogger Ms H Belcher T Higgins P McKenna - appointed 7 October 2020 Ms D Peers - appointed 2 December 2021
Auditors	Kreston Reeves Montague Place Quayside Chatham Maritime Chatham ME4 4QU
Bankers	Lloyds Bank plc

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The charity is a charitable incorporated organisation registered with the Charities Commission on 15 March 2017 and governed by its constitution adopted 8 March 2017.

Appointment of Trustees

Many of the trustees named above are the first trustees appointed in the charity's constitution. At the first annual general meeting all trustees retired from office and were re-appointed. At the subsequent meetings one third of the total number retire by rotation. Trustees are appointed by the members at the annual general meeting and their number shall not be less than four.

New trustees would require some experience of the sector in which the charity operates and be appropriate for the League. They would usually be invited by existing trustees to consider standing for election.

THE MEDWAY LEAGUE OF FRIENDS
TRUSTEES' REPORT

Organisation and Decisions

The trustees meet at least four times a year to manage the League's affairs. In the 2020/21 year the trustees met twelve times, all by video link. This Committee consists of a Chairman, Vice Chairman, Treasurer and Secretary and between one and eleven other persons. No person shall be a member of the Committee who is not a member of the League itself.

The Committee are assisted by managers and organisers of the League's shops and a representative of the Medway NHS Foundation Trust. An operations manager has day to day control over its employed staff and the many volunteers.

Affiliations

The League is a member of Attend, which exists to promote and develop the role of volunteers in our health and social services throughout the UK.

OBJECTIVES AND ACTIVITIES

Objectives

The objects of the charity are the relief of sickness and the promotion of the good health and wellbeing of patients of NHS services in Medway, in particular the patients of the Medway Maritime Hospital Trust, through the provision of grants, items and services, funded where possible by the work of volunteers.

Public Benefit

In accordance with the Charities Acts and Regulations, the trustees have had due regard to the guidance published by the Charity Commission on the requirement that the objectives and work undertaken by the League are in line with charitable objects and do provide benefit for the public.

In 2018, the charity took over the activities previously carried on by the 'Medway League of Friends' whose original aim was to provide those 'little extras' for patients and staff in the then local hospitals (latterly just the Medway Maritime Hospital) that the NHS cannot always provide. Over time those 'little extras' have turned into vital pieces of medical equipment, furniture and other amenities. The difference, that the charity intends to continue through its activities, is to help speed patients' recovery and get them back to their homes and loved ones and to do this wherever possible though the services of volunteers from the community.

Aims and Activities

The main objective for the year under review was to continue the provision of services through sales at the League's shops at the Medway Maritime Hospital.

During the year the League operated two shops at the Medway Maritime Hospital: the main shop / refreshment area and a 24-hour kiosk in A&E, so that patients, visitors and hospital staff can always get a snack or a hot drink whatever the time of day or night.

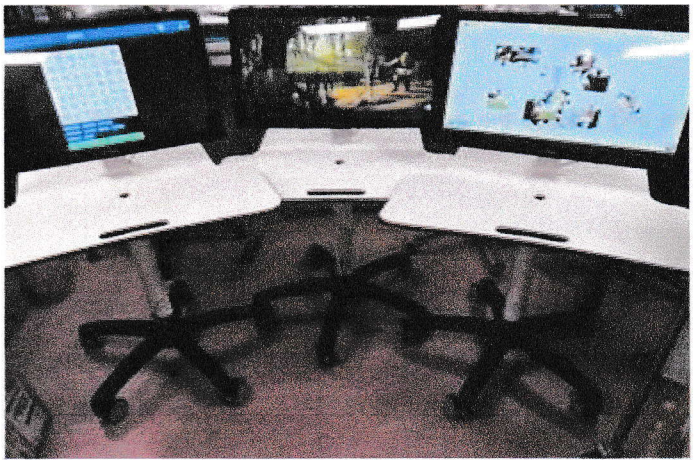
Hospital Radio Medway is a part of the League, and broadcasts 24 hours of programmes each and every day, including record requests, themed music and items of local interest to the patients.

The League makes significant use of volunteers in the course of undertaking its charitable and income generating activities. The volunteers carry out many of the duties required to operate the shops.

THE MEDWAY LEAGUE OF FRIENDS
TRUSTEES' REPORT

Impact Statement

In normal times the League makes grants from its accumulated surplus to fund items of medical equipment or amenities for patients. The straitened circumstances of 2020/21 meant that unfortunately no grants were possible, other than the top-up of £1,547 to the Medway Scanner Appeal Fund grant as noted below under the heading 'Restricted Fund'. To give some idea of the sort of items funded, here is an example from late in the previous year, which was not included in the 2019/20 Report.



Bid 657 – 3 x RITA Systems –Reminiscence Interactive Therapeutic Activity - £19,485

The Emergency Department submitted a bid to the League for funding to purchase 3 x RITA systems. This equipment is used by people with dementia as well as those recovering from a stroke or head injury. It includes a touch screen unit containing hundreds of activities, tunes, comedy and sports slips, poetry readings, radio recordings, games, etc. etc. to help prevent a significant deterioration in their condition. It can provide distraction therapy with activities in a dementia-friendly environment. The system can also store information about a patient including their life story plus photos and is particularly useful for those patients who require an extended stay in the hospital.

Donations

The League's income is supplemented by donations. As with other income, these were much reduced in 2020/21, not least because the donation boxes were not in use for much of the time. A total of £2,436 was given. This included a sum given in memory of Joan Gulliver.

Achievements

Like every other business the League was affected by the pandemic and the associated national restrictions, which were in force for much of the financial year. In the circumstances keeping the retail outlet open was the major achievement of 2020/21. Fewer volunteers were available, footfall through the main foyer was much less than before the pandemic, and therefore stringent economies continued to be necessary. These included fewer opening hours and, sadly in Autumn 2020, further staff redundancies. The pandemic restrictions meant very limited numbers in the Main Shop at any one time, so customers often had to queue and be served at the door. The financial consequences are clear from the Accounts. The huge reduction in revenue made it necessary to suspend grant payments to the Hospital Trust for the year. It was only in the last six weeks of the year that it became apparent that the financial situation was improving.

Throughout the year there was a huge team effort from the remaining staff and those few volunteers able to serve, for which the Trustees are most grateful.

FINANCIAL REVIEW

Review of the Financial Position

The financial position is set out on pages 11 to 18. Income from the charity's activities in the operation of shops and trolley have decreased during the year by 54% to £655,088 due to the restrictions caused by the COVID-19 pandemic, which disrupted much of the financial year.

Gross margins on sales have increased to 41.1% from 37.9%. This is due to a change in the mix of products sold during the restrictions.

In the previous year the League achieved a small surplus of £5,859 after making grants to Medway NHS Foundation Trust of £212,572. This year there is an overall deficit of £88,324 but this includes restricted funds which were used to make donations of £96,200 as explained below. Despite the pandemic, the net assets at the end of the year stood at a healthy £813,570 with cash at bank of £606,971.

The Trustees are pleased with the results accepting the challenging situation. Although total funds held by the League decreased during the year, the trustees remain aware that Medway NHS will be looking for the League to fund additional projects which meet the League's approved criteria.

Restricted fund

The Trustees were delighted to be able to use the Medway Scanner Appeal Fund (£94,653) to contribute towards a major project for the Breast Unit, a new scanner with a tomosynthesis attachment. The League has been holding this fund (as a restricted donation) on behalf of the former Scanner Appeal Charity since 2017 pending discovery of a suitable project in which to invest the money. The Breast Unit was gathering funding from various sources for its scanner, and the Chair of the former Medway Scanner Appeal was pleased to see the Appeal Fund used to enable the Unit to meet its target.

The League Trustees added £1,547 to the Appeal Fund, representing interest earned, so that the total contribution came to £96,200. The project was still in progress at the League's year-end, so there will be more on this in the next Annual Report.

Reserves Policy

The Trustees keep under review the need for unrestricted and undesignated reserves. Initially in 2020/21, having regard for the proposed investment in a new coffee shop, current working capital requirements and a provision for the costs in the event of business interruption, the Trustees were of the opinion that such reserves should be in the region of £660,000. This included £550,000 towards the cost of developing a new coffee shop in the Hospital foyer.

However the pandemic and consequent restrictions made it clear that a new coffee shop was no longer an economic proposition, and in March 2021 the Trustees reluctantly informed the Hospital Trust that it would be withdrawing from the coffee shop project.

Alternative uses of the shop development reserve had therefore to be found, and the League Trustees decided to devote part of it to capital grants and most of the rest to refurbishment of its existing shop in the Hospital foyer. Discussions with the Hospital Trust on both had made good progress by the end of the financial year, but formal commitments will take place in 2021/22. In consequence the coffee shop development reserve was still held at the end of 2020/21.

All remaining funds shall be utilised for the benefit of the hospital and patients.

The League usually has designated reserves. These occur where the Trustees have considered requests from the NHS for funding projects or the purchase of equipment and committed to make grants when the project occurs or the equipment is purchased. However at 31 July 2021 with the lifting of COVID-19 restrictions only just occurring there were no outstanding items for which to carry reserves across into 2021/22.

Progress against objectives

Because of the pandemic, the outturn for the six-point Business Plan for 2020/21 was badly affected. Most objectives are being carried forward, with much re-engineering in line with the continuing restrictions. The 2020/21 results against our objectives are:

- Formalise relations with the Hospital Trust
  Regular meetings were held between the Trust and the League's Project Team. In Spring 2021 discussions began on a lease for the premises occupied by the League, and plans for the refurbishment of the Main Shop.

- Increase turnover and efficiency of the retail operations

  Turnover for 2020/21 was badly hit by the continuing pandemic reaching only £655,000, a decrease of 54% against 2019/20. All possible cost cutting measures continued, including a reduction in opening hours and supervisor redundancies. For much of the year seven staff were on flexible furlough for part of their normal hours. Even so there were gross trading losses in five months of the year. Fortunately trading started to pick up in the final quarter, and July finished on a high.

- Enhance communications

  The League's website has been updated, and a new e-mail address for contacting Trustees introduced. The Secretary monitors this and responds accordingly.

  Due to COVID-19, talks on the League's activities with Friends were postponed, apart from a couple which took place virtually.

  The League's Facebook page is updated regularly with information, and this is an excellent forum for keeping in touch with the public, as well as our staff and volunteers.

- Develop staff and encourage volunteers

  The past year has been extremely challenging for our staff and volunteers. Due to the restrictions imposed by the hospital we have had to discontinue the ward trolley service and, for a time, close the seating area. This resulted in us having to make eight full or part time posts redundant. Two of those made redundant were redeployed in other roles. The Operations Manager and his deputy worked alternating flexible furlough hours to reduce staff costs while managing to maintain a first-class service to hospital staff and patients. The cleaners were furloughed while the seating area was closed.

  Training courses have continued during the year on-line. This is a problem for renewals of the First Aid certification due to the required practical element of the course.

  We have employed two young trainee supervisors working 40 hours a month at present. The aim is to train them in all aspects of our business with a view to being able to use them flexibly in the future as trading restrictions are lifted and business increases. They will undertake the mandatory training courses required.

  At the time of the last report only 10 volunteers were able to work but this number has increased to 73 at present. A further 30 are considering their return to regular volunteering. Due to the rigorous safe working procedures introduced by the Operations Manager there were no cases of internal Covid transmission between staff and volunteers. Contact was maintained with volunteers unable to work particularly through the staff and volunteer Facebook page which has proved to be very popular.

  Being aware of the restrictions imposed on schools, colleges and youth organisations, such as the Duke of Edinburgh Award scheme, which resulted in students not able to take part in work experience as part of their courses, we are offering the opportunity to volunteer with us. During their time with us they will be able to access training courses such as Food Hygiene, First Aid etc. so that they leave with some certificates that will benefit them in the future. They will be well motivated to give us good service in return for the opportunity to gain experience and training.

  The satellite shop situated in a Care Home was closed for an extended period of time, necessitating one redundancy. The shop has reopened three days a week and is now entirely manned by volunteers. As the shop is rent free with few overheads it is now showing a modest profit.

  The Star Award scheme continues to be popular among volunteers. In the past year we rewarded three volunteers who continued to work throughout both lockdowns. The presentation was made out in the hospital grounds as gathering indoors was not allowed! We have been unable to hold the Summer Tea Party or Christmas lunch although it looks likely that this will be possible in December. We are reviewing the nomination process, possibly using social media and the website.

  We owe a huge debt of gratitude to our loyal staff and volunteers for the way they have coped with the challenges of the past year, thereby enabling the League to offer a continuous first-class service to hospital staff, patients and visitors.

- Increase and develop the Leagues' trustees
  The advert, application form and induction pack for new trustees have all been updated, in advance of a recruitment drive planned for September 2021. A training course for Trustees had to be postponed because of the pandemic restrictions, and will be re-programmed in 2021/22.

- Improve the governance of the League
  The examination of compliance with all relevant external regulations continued with reviews of the most important of the Charity Commission Guidance Notes applicable to our operation. This proceeded In parallel with our programme of checking existing policies to ensure they remain relevant and up to date. The main outcome of this work by Trustees was as follows:

  Risk Management
  The Trustees have developed and agreed a Strategic Risk Register. This looks at current and potential future risks to which the League may be exposed. The register shows both the initial risk score and that following any mitigatory steps taken. There are currently 12 risks on the strategic register, scoring from 4 up to 10 after mitigation; the highest possible score is 20.

  The Strategic Register is a regular item at Trustees' meetings; further risks may be added at any time. Operational risks are managed by the League's Operations Manager in a series of registers, and any risk scoring over 10 will be highlighted to Trustees immediately, and added to the Strategic Register.

  Financial Controls
  The Charity Commission recommends an annual review, and the first of these was concluded by the Trustees in April 2021. There were no significant issues . The review will be repeated annually.

  Other Charity Commission Guidance
  Complete the implementation of review recommendations for each relevant Guidance Note.

  Overall Governance
  Revisit the possibility of alternative governance structures, as part of succession planning for the Trustee Board.

Plans for the Future

The Trustees have set the following objectives for 2021/22:

1 Settle the legal status of the League's premises within the Hospital;
2 Renew the retail offer (includes refurbish the main shop);
3 Re-instate financial support for the Hospital Trust;
4 Enhance communications;
5 Develop staff and encourage volunteers;
6 Increase and diversify the Trustee Board, and implement succession plans;
7 Improve the governance of the League; and
8 Take steps to mitigate the environmental impact of the League's operations.

Detailed measures for each of these are set out in the League's Business Plan. Individual Trustees take responsibility for leading on each objective.

Trustees' Responsibilities

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

THE MEDWAY LEAGUE OF FRIENDS
TRUSTEES' REPORT

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 Charities SORP;
- make judgements 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

Approved by the trustees on 6th March 2022 and signed on their behalf

D.A. May, Chairman

INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF
THE MEDWAY LEAGUE OF FRIENDS

Opinion

We have audited the financial statements of The Medway League of Friends (the 'charity') for the year ended 31 July 2021, which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes, 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 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting practice).

The financial statements have been prepared in accordance with 'Accounting and Reporting by Charities' preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2019.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs at 31 July 2021 and of its income and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis of 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 Auditors 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 United Kingdom, including the Financial Reporting Council'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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees' have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the 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 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 of 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.

INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF
THE MEDWAY LEAGUE OF FRIENDS

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities statement, 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, of have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

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

Capability of the audit in detecting irregularities, including fraud

Based on our understanding of the Charity and the sector as a whole, 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, anti-bribery 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 Charities SORP (FRS 102) Second Edition (released October 2019), and other relevant charity legislation. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. We evaluated Trustees' and 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 related to and determined that the principal risks were related to posting inappropriate journal entries to increase revenue or reduce expenditure and management bias in accounting estimates and judgemental areas of the financial statements. 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 and fraud; and
- challenging assumptions and judgements made by management in its significant accounting estimates; and
- performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; 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

Auditor's responsibilities for the audit of the financial statements (continued)

- review of significant and unusual transactions and evaluation of the underlying financial rationale supporting the transactions; and
- identifying and testing journal entries, in particular any manual entries made at the year-end for financial statement preparation.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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 of 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 my 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 my 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 represent the underlying transactions and events in a matter 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 its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Kreston Reeves LLP
Statutory Auditor
Chatham Maritime

Kreston Reeves LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

THE MEDWAY LEAGUE OF FRIENDS
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JULY 2021

	Notes	Unrestricted fund £	Restricted funds £	Total 2021 £	Total 2020 £
INCOME AND ENDOWMENTS					
Donations and legacies					
- Donations		4,299	-	4,299	12,487
- Grants	3	24,139	10,877	35,016	34,305
Fundraising		-	-	-	1,466
Investment income					
- Interest on deposit accounts		123	-	123	1,059
Income from charitable activities					
- Operation of shops and trolley		655,088	-	655,088	1,418,764
TOTAL INCOME		683,649	10,877	694,526	1,468,081
EXPENDITURE					
Costs of raising funds		-	-	-	103
Expenditure on charitable activities	4	678,117	104,733	782,850	1,462,119
TOTAL EXPENDITURE		678,117	104,733	782,850	1,462,222
NET INCOME (EXPENDITURE)		5,532	(93,856)	(88,324)	5,859
Total funds brought forward		797,241	104,653	901,894	896,035
TOTAL FUNDS CARRIED FORWARD		802,773	10,797	813,570	901,894

All income and expenditure derive from continuing activities.

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

The notes on pages 14 to 18 form part of these financial statements.

THE MEDWAY LEAGUE OF FRIENDS
BALANCE SHEET
AT 31 JULY 2021

	Notes	2021		2020	
		£	£	£	£
FIXED ASSETS					
Tangible fixed assets	12		21,420		17,453
CURRENT ASSETS					
Stocks		26,183		33,390	
Debtors and prepayments		2,348		6,169	
Investments		250,043		96,185	
Cash at bank and in hand		606,971		786,790	
		885,545		922,534	
CREDITORS: amounts falling due within one year					
Trade creditors		35,384		23,109	
Taxation and social security		10,853		3,517	
Other creditors		47,158		11,467	
		93,395		38,093	
NET CURRENT ASSETS			792,150		884,441
TOTAL ASSETS LESS CURRENT LIABILITIES			**813,570**		**901,894**
FUNDS OF THE CHARITY					
Unrestricted income fund	13		802,773		797,241
Restricted funds	13		10,797		104,653
TOTAL CHARITY FUNDS			**813,570**		**901,894**

The notes on pages 14 to 18 form part of these financial statements.

Approved by the trustees on 15th March 2022 and signed on their behalf

D.A. May, Chairman

THE MEDWAY LEAGUE OF FRIENDS
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JULY 2021

	2021 £	2020 £
Cash flows from operating activities:		
Cash generated from operations (see below)	(16,289)	(53,819)
Net cash provided by operating activities	(16,289)	(53,819)
Cash flows from investing activities:		
Purchase of tangible fixed assets	(9,795)	-
Interest received	123	1,059
Net cash provided from (used in) investing activities	(9,672)	1,059
Change in cash and cash equivalents in the reporting period	(25,961)	(52,760)
Cash and cash equivalents at the beginning of the reporting period	882,975	935,735
Cash and cash equivalents at the end of the reporting period	857,014	882,975

RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
Net income for the reporting period (as per the statement of financial activities)	(88,324)	5,859
Adjustments for:		
Depreciation	5,828	4,814
Interest received	(123)	(1,059)
Decrease in stocks (2020 : increase)	7,207	(4,084)
Decrease in debtors (2020 : increase)	3,821	(1,949)
Increase in creditors (2020 : decrease)	55,302	(57,400)
Net cash provided by operating activities	(16,289)	(53,819)

1 STATUTORY INFORMATION

The Medway League of Friends is registered in England and Wales under the Charities Act 2011 as a charitable incorporated organisation. The Charity's registered number and registered office address can be found within the Trustees' Report.

The presentation currency of the financial statements is the Pound Sterling (£).

2 ACCOUNTING POLICIES

(a) Basis of accounting

The financial statements of the charity, which is a public benefit entity under FRS102, have been prepared in accordance with the Charities SORP (FRS 102) "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)", Financial Reporting Standard 102 "The Financial Standard applicable in the UK and Republic of Ireland" and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

(b) Going Concern

When preparing the financial statements, the Trustees have assessed whether there are significant doubts about the charity's ability to continue as a going concern. There are no material uncertainties of which the Trustees are aware in making their assessment.

The Trustees have considered the downside scenarios as a result of the COVID-19 pandemic and its impact on the operation of its shops and trolley, and the ability to make grant payments. They consider that the charity has sufficient cash reserves to enable it to meet its obligations as they fall due for a period of at least 12 months from the date of signing of these financial statements. As such, the Trustees are satisfied that the charity has adequate resources to continue to operate for the foreseeable future and they continue to adopt the going concern basis for preparing these financial statements.

(c) Income and debtors

Voluntary income, which includes donations, gifts and legacies, and fundraising income are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Investment income is recognised on a receivable basis and arises from interest bearing deposit accounts.

Income from charitable activities includes the sales from the League's shops at the Medway Maritime Hospital. All amounts exclude value added tax.

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.

(d) Volunteers and donated services and facilities

No value is incorporated into these financial statements for the services provided by volunteers or where services are provided to the charity as a donation that would normally be purchased from suppliers.

(e) Government grants

Government grants in relation to COVID-19 are recognised on the accruals basis and credited to the Statement of Financial Activities as is any related expenditure.

(f) Expenditure and liabilities

Expenditure is recognised when a liability is incurred. Grant payments are recognised when a liability or constructive obligation arises that results in the payment being unavoidable.

Costs of generating funds are those costs incurred in attracting voluntary income.

Charitable activities include expenditure associated with the League's shops and trolley and grants of equipment and services to the Medway NHS Foundation Trust and others. The expenditure includes both the direct costs and support costs relating to these activities.

Governance and support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

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

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

(g) Financial instruments

The charity enters into basic financial instruments that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans to and from banks, and other third parties. Basic financial instruments are recognised at amortised cost, with changes recognised in the statement of financial activities.

(h) Tangible fixed assets

Fixed assets are stated at historical cost less accumulated depreciation. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset over its estimated useful life at the following rates:

Computer equipment - 33% on cost
Hospital radio equipment - 10% on cost
Other assets - 15% on cost

Assets which cost less than £500 are not capitalised.

(i) Stocks

Stocks are included at the lower of cost and net realisable value. Stocks consists of goods for resale from the shops and trolley.

(j) Funds structure

The charity has restricted income funds to account for situations where a donor requires that a donation must be spent on a particular purpose or where funds have been raised for a specific purpose.

All other funds are unrestricted income funds. The trustees receive requests from Medway NHS Foundation Trust to make donations and purchase equipment for the Trust. Once the trustees agree that they will offer financial support, a transfer is made to a designated fund for that purpose.

3 GRANTS

	Unrestricted fund £	Restricted funds £	Total 2021 £	Total 2020 £
Government grants for pandemic support				
- Job Retention Scheme	24,139	-	24,139	12,804
- Medway Council	-	-	-	10,000
	24,139	-	24,139	22,804
Other grants	-	10,877	10,877	11,501
	24,139	10,877	35,016	34,305

4 EXPENDITURE ON CHARITABLE ACTIVITIES

	Operation of shops and trolley	Grants payable	Hospital Radio	Total 2021	Total 2020
	£	£	£	£	£
Shop purchases for resale	386,093	-	-	386,093	881,060
Wages and salaries (see note 8)	208,562	-	-	208,562	275,673
Purchase of equipment and other donations (see note 7)	-	96,200	-	96,200	212,572
Bank and card charges and cash processing fees	11,686	-	-	11,686	21,643
Travel and motor expenses	3,306	-	-	3,306	6,468
Depreciation	4,947	-	881	5,828	4,814
Equipment maintenance and computer costs	8,895	-	1,103	9,998	24,788
Printing postage and stationery	3,598	-	-	3,598	3,069
Telephone and other costs	1,383	-	2,970	4,353	3,393
Governance and support costs (see note 5)	45,911	7,018	297	53,226	28,639
	674,381	103,218	5,251	782,850	1,462,119

5 GOVERNANCE AND SUPPORT COSTS

	Charitable activities	Governance	Total 2021	Total 2020
	£	£	£	£
Audit fees	-	3,750	3,750	3,750
Accountancy costs	8,295	-	8,295	6,275
Attend subscription and insurance	1,428	-	1,428	1,509
Abortive shop development	36,275	-	36,275	-
Legal and professional fees	-	2,635	2,635	12,995
Staff entertaining	-	-	-	2,732
Rent	444	-	444	1,007
Sundries	399	-	399	371
	46,841	6,385	53,226	28,639

6 SUPPORT FOR CHARITABLE ACTIVITIES

This table shows the income arising from and the costs for the operation of the shops and trolley and the surplus that arises therefrom which provides additional support for charitable activities. This year the Government provided grants to support jobs, without which there would have been a loss.

	2021	2020
	£	£
Income	655,088	1,418,764
Costs	(674,381)	(1,238,051)
Net cost of shops and trolley	(19,293)	180,713
Government grants under Coronavirus Job Retention Scheme	24,139	12,804
Net funding for other activities	4,846	193,517

7 GRANTS PAYABLE

	2021	2020
	£	£
Medway NHS Foundation Trust	96,200	211,911
Others	-	661
	96,200	212,572

Grants to Medway NHS Foundation Trust are for the purchase of equipment and for the funding of various projects and services. The only item funded in this year is:

	£
Breast Unit Scanner with Tomosynthesis attachment	96,200

8 STAFF COSTS AND NUMBERS

	2021	2020
	£	£
Wages and salaries	197,942	261,753
Social security costs	7,569	10,142
Employer's contribution to defined contribution pension scheme	3,051	3,778
	208,562	275,673

Wages and salaries includes statutory redundancy payments of £6,317 (2020 : £nil).

The average monthly number of employees during the year was 14 (2020 : 18). No employees received emoluments in excess of £60,000.

There are no key management personnel other than the trustees in this, or the previous, year.

9 TRUSTEE REMUNERATION

None of the trustees have been paid any remuneration or received any other benefits. One trustee has been reimbursed £130 for expenses incurred on behalf of the League (2020 : two trustees reimbursed a total of £270).

10 RELATED PARTY TRANSACTIONS

There are no related party transactions in the current year or previous year.

11 TAXATION

The League is a registered charity and no provision is considered necessary for taxation.

12 TANGIBLE FIXED ASSETS

Fixtures, fittings and equipment

	£
Cost	
- at 1 August 2020	27,129
- additions	9,795
- at 31 July 2021	36,924
Depreciation	
- at 1 August 2020	9,676
- charge for year	5,828
- at 31 July 2021	15,504
Net book values	
- at 31 July 2021	21,420
- at 31 July 2020	17,453

13 STATEMENT OF CHANGES IN EQUITY

	General fund	Restricted funds	Total
	£	£	£
Balance at 1 August 2020	797,241	104,653	901,894
Income	683,649	10,877	694,526
Expenditure	(678,117)	(104,733)	(782,850)
Balance at 31 July 2021	802,773	10,797	813,570

The funds held at the year-end date are as follows:

- Fixed assets	13,500	7,920	21,420
- Cash	604,094	2,877	606,971
- Net other current assets	185,179	-	185,179
- Total funds	802,773	10,797	813,570

The restricted funds are:

	Scanner appeal	Hospital radio	Total
	£	£	£
Balance at 1 August 2020	94,653	10,000	104,653
Income	-	10,877	10,877
Expenditure	(94,653)	(10,080)	(104,733)
Balance at 31 July 2021	-	10,797	10,797

The Scanner Appeal fund represented monies from the Medway Cancer Scanner Appeal upon it ceasing to exist in 2017. The funds were spent on a breast scanner this year as explained in the Trustees' Report.

The Hospital Radio funds represents several grants from the National Lottery Awards, World Mission, Kent Community Foundation and Tesco plc which are variously for capital equipment and running costs. The balance carried forward at the year end date represents the net book value of the equipment funded (and included in fixed assets in note 11) and unspent monies for running costs to be incurred in the following year.

THE MEDWAY LEAGUE OF FRIENDS

England & Wales - Charity number 1172065

Accounts

THE MEDWAY LEAGUE OF FRIENDS

CHARITY REGISTRATION NO: 1172065

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2020

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THE MEDWAY LEAGUE OF FRIENDS
TRUSTEES' REPORT

The trustees present their third report with the financial statements of the charity for the year ended 31 July 2020. This is their second report since the transfer of the charity's activities from the "Medway League of Friends", to this Charitable Incorporated Organisation on 1 August 2018.

ADMINISTRATIVE DETAILS

Charity registration number	1172065
Principal address	Medway Maritime Hospital Windmill Road Gillingham Kent ME7 5NY
Trustees	J Spence D May Mrs E Norman S Towsey Mrs J Harsent C H Silk Mrs M Cogger Ms H Belcher T Higgins - appointed 5 September 2019 Mrs C Harvey - resigned 13 May 2020
Auditors	Kreston Reeves Montague Place Quayside Chatham Maritime Chatham ME4 4QU
Bankers	Lloyds Bank plc

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The charity is a charitable incorporated organisation registered with the Charities Commission on 15 March 2017 and governed by its constitution adopted 8 March 2017.

Appointment of Trustees

Many of the trustees named above are the first trustees appointed in the charity's constitution. At the first annual general meeting all trustees retired from office and were re-appointed. At the subsequent meetings one third of the total number retire by rotation. Trustees are appointed by the members at the annual general meeting and their number shall not be less than four.

New trustees would require some experience of the sector in which the charity operates and be appropriate for the League. They would usually be invited by existing trustees to consider standing for election.

Organisation and Decisions

The trustees meet at least four times a year to manage the League's affairs. This Committee consists of a Chairman, Vice Chairman, Treasurer and Secretary and between one and eleven other persons. No person shall be a member of the Committee who is not a member of the League itself.

The Committee are assisted by managers and organisers of the League's shops and a representative of the Medway NHS Foundation Trust. An operations manager has day to day control over its employed staff and the many volunteers.

Affiliations

The League is a member of Attend, which exists to promote and develop the role of volunteers in our health and social services throughout the UK.

OBJECTIVES AND ACTIVITIES

Objectives

The objects of the charity are the relief of sickness and the promotion of the good health and wellbeing of patients of NHS services in Medway, in particular the patients of the Medway Maritime Hospital Trust, through the provision of grants, items and services, funded where possible by the work of volunteers.

Public Benefit

In accordance with the Charities Acts and Regulations, the trustees have had due regard to the guidance published by the Charity Commission on the requirement that the objectives and work undertaken by the League are in line with charitable objects and do provide benefit for the public.

In 2018, the charity took over the activities previously carried on by the 'Medway League of Friends' whose original aim was to provide those 'little extras' for patients and staff in the then local hospitals (latterly just the Medway Maritime Hospital) that the NHS cannot always provide. Over time those 'little extras' have turned into vital pieces of medical equipment, furniture and other amenities. The difference, that the charity intends to continue through its activities, is to help speed patients' recovery and get them back to their homes and loved ones and to do this wherever possible though the services of volunteers from the community.

Aims and Activities

The main objective for the year under review was to continue the provision of services through sales at the League's shops and trolley at the Medway Maritime Hospital.

During 2019/20 the League operated two shops at the Medway Maritime Hospital: the main shop / refreshment area and a 24-hour kiosk in A&E, so that patients, visitors and hospital staff can always get a snack or a hot drink whatever the time of day or night. In addition there was a daily trolley service around the wards of the hospital, until the outbreak of the COVID-19 pandemic forced its suspension. The League's Trustees have reluctantly concluded that continuing infection control measures make it impossible to resume this service. The League's small shop in "A" Block closed in August 2019 when the Hospital Trust required the site for redevelopment.

Hospital Radio Medway is a part of the League, and broadcasts 24 hours of programmes each and every day, including record requests, themed music and items of local interest to the patients.

The League makes significant use of volunteers in the course of undertaking its charitable and income generating activities. The volunteers carry out many of the duties required to operate the shops.

THE MEDWAY LEAGUE OF FRIENDS
TRUSTEES' REPORT

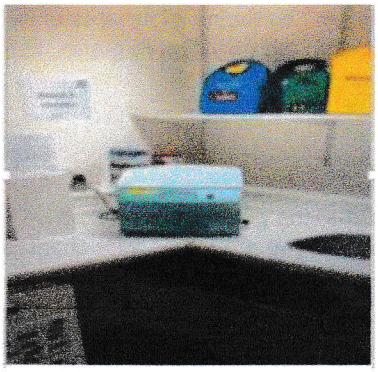
Impact Statement

In deciding whether to make grants, the Trustees work from a business case made by the applicants. In order to see how the items funded are being used, the Trustees have begun following up the grants. Here are some examples.



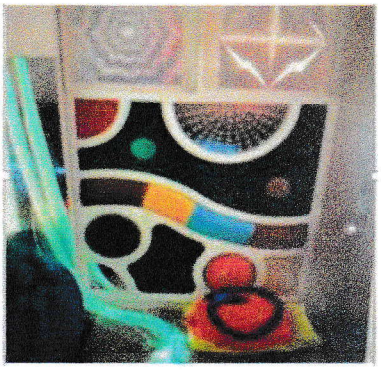
CAPITAL DONATION – Laser Scanner - £97,600 donation towards the total cost.

For their 2019-2020 Capital Donation, the League was asked to contribute towards the cost of a laser scanner used mainly for the treatment of benign prostate conditions. In the hospital the main field of such surgery is to treat patients with large prostates through a minimally invasive approach which is offered through use of this scanner.
The lead surgeon has thanked the League for their contribution towards this scanner which is already in use to support patient treatment.



Bid no. 649 – Refrigerated Centrifuge for the Research Department - £5,435

Staff in the Research Department asked for the League's help to fund a refrigerated centrifuge to support their research trails. A centrifuge spins blood samples to separate the constituents for analysis. A study was due to commence to look at the treatment and progression of lung disease. Additional information included the fact that scarring of lungs affects people's ability to breathe, eventually decreasing the amount of oxygen in their bloodstream. Unfortunately, there are high levels of lung disease in the Medway Towns and research is vital to support the affected patients. Staff have reported that the equipment is assisting in their various research trials including genetic testing and they thank the League for their support.



Bid No. 642 Toys for the Multi-Sensory Room Paediatric A&E - £3,733

The Play Therapist on Dolphin Ward asked for the League's help to purchase a new vibro-tub for their sensory room. This is one of the main features of the room but unfortunately the current machine has broken after many years' service and cannot be repaired. The tub is supported by a music system and when the music is playing, the balls change colour and the tub vibrates, creating a calm, relaxing environment. In addition, some new toys would be much appreciated to help with a young patient's anxiety, mental health and relaxation, especially for those waiting to Theatre or in isolation.
The Play Therapist has told us the toys are in constant use and much appreciated by children in the department - and their families.



Bid no. 644 – 2 x Reclining Chairs for Pearl Ward - £3,145

A request was agreed by the League for two reclining chairs for Pearl Ward. In the transitional care bay on the ward there are 8 beds and it is used to accommodate mothers and babies when their babies need additional care but do not need to be admitted to the neonatal unit. The length of stay is often increased due to the additional care required. The second parent of the baby is encouraged to stay to offer support and to help the bonding process. Therefore, these chairs provide a comfortable place for that parent and enables them to remain with the other and new baby.



Bids nos. 646 and 657 – Moving Aids for the Therapy Department - £2,825.

The League of Friends agreed to fund various moving aids for the Therapy Department including 5 x Mo Lift Raiser stand aids and 1 x Quick Move. The equipment is used on a daily basis by members of the Occupational Therapy team, Physiotherapists and the Therapy Assistants to enable patients to use their own muscle power during a transfer from e.g. bed to chair or to the toilet. The equipment stimulates the patient's natural movement and enables them to feel safer during a transfer. The equipment is stable and can be manoeuvred in a confined space such as a toilet.
The department has told us that many patients are benefitting from the



Bid No. 641 – Digital Cameras x 2 for the Orthodontic Department.

The Consultant Orthodontist asked for the League's support to fund 2 x digital camera. The cameras are used on a daily basis and prove invaluable for patient treatment. They record the original clinical situation for a patient prior to the commencement of treatment and for progress thereafter. The information is also used as a training method for trainees and to communication with patients and primary care General Dental Practitioners.
The department has commented that the cameras are already proving to be extremely useful to patients and to staff.

Donations

The League's income is supplemented by donations. In 2019/20 these totalled £8,900. This sum included £2,939 which people gave in memory of loved ones, whose names are recorded below;

Joan Eabry
Les Gulliver
Stuart Jeffrey
David William Kite
Rose Elizabeth Lintott
Donald Macfarlane
Audrey Manington
Michael Morris
Audrey Thomas
Albert Simmonds

Achievements

Throughout the year the League engaged constructively with the Hospital Trust over all aspects of the mutual relationship. In December 2019, after more than two years of negotiations, the League and the Hospital Trust signed draft Head of Terms, so concluding a formal agreement under which the League will finance the construction of a coffee shop in the foyer, in exchange for a lease to run it. Building work should have begun in April 2020, but was postponed because of the COVID-19 pandemic.

These restrictions have affected restaurants and cafes badly, and look certain to continue for some months. This clearly affects the viability of the new coffee shop, and at the League's behest the legal teams of both parties have produced additional clauses in the draft lease which would suspend the rent due if normal trading were unable to occur. The League has been discussing with the Hospital Trust how to proceed, and it has been recently agreed (October 2020) to postpone any construction work until early 2021, when a decision on the viability of the project will be taken. While remaining fully committed to the coffee shop project, the Trustees doubt whether trading at all will be able to take place at pre-COVID-19 levels before the end of the 2020/21 financial year.

In the circumstances the Trustees were delighted to have been able to fund grants to the Medway NHS Hospital Trust totalling £211,911 during 2019/20.

FINANCIAL REVIEW

Review of the Financial Position

The financial position is set out on pages 10 to 17. Income from the charity's activities in the operation of shops and trolley have decreased during the year by 24.6% to £1,418,764. The principal reason was the COVID-19 pandemic, restrictions which caused a major fall in sales for the last 4½ months of the financial year.

Gross margins on sales have increased slightly to 37.9% from 37.4%. This has led to a surplus to fund other activities of £180,713. Despite the pandemic, the League has donated £211,911 to Medway NHS Foundation Trust.

In the previous year the Charity had a net surplus of £83,013 after making grants to Medway NHS Foundation Trust of £314,286. This year there is a reduced surplus of £5,859 after the donations. Despite the pandemic, the net assets at the end of the year stood at a healthy £901,894 with cash at bank of £786,790.

The Trustees are pleased with the results. Although total funds held by the League increased during the year, the trustees remain aware that Medway NHS will be looking for the League to fund additional projects which meet the League's approved criteria.

The League holds the stewardship of the funds of the Medway Scanner Appeal, a charity which has ceased to operate. These funds currently amount to £94,653 and may only be spent on the development of new clinical services and innovative technology. As such they appear in the League's accounts as a restricted fund. Possible projects to utilise these funds were identified in 2018/19, but proved unacceptable. There is now a suitable candidate, but it will need other sources of funding and has still to be considered for the inclusion in the Hospital Trust's capital programme for 2020/21.

Reserves Policy

The Trustees have examined the need for unrestricted and undesignated reserves. Having regard for the investment in a new coffee shop, current working capital requirements and a provision for the costs in the event of business interruption, the Trustees are of the opinion that such reserves should be in the region of £647,000. This includes £552,000 towards the cost of developing a new coffee shop in the hospital foyer. The expenditure on the new coffee shop may be delayed due to COVID-19 as explained on the previous page in the Achievements section.

All remaining funds shall be utilised for the benefit of the hospital and patients.

The League usually has designated reserves. These occur where the Trustees have considered requests from the NHS for funding projects or the purchase of equipment and committed to make grants when the project occurs or the equipment is purchased. However at 31 July 2020 with all formalities completed every grant had been made, so unusually there were no outstanding items for which to carry reserves across into 2020/21.

Plans for the Future

Because of the pandemic the outturn for the six-point Business Plan for 2018/19 was badly affected. Most objectives are being carried forward, with much re-engineering in line with the continuing restrictions. The 2019/20 results are;

- Formalise relations with the Hospital Trust
  During the years 2019/20 the Chairman of Trustees of the League of Friends started a series of three-monthly catch-up meetings with the Chair of the Medway Hospital Trust. Every six months this has included the CEO of the Hospital Trust. These meetings will continue in 2020/21.

- Increase turnover and efficiency of the retail operations
  Turnover for 2019/20 was reduced by three quarters for the final 4½ months of the year, reaching only £1.4M, a decrease of 23% against 2018/19. Cost cutting measures were accelerated due to the pandemic and included furloughing seven staff, and finally redundancies when it became clear that the infection control precautions make it impossible to continue the ward trolley round.

- Enhance communications
  The Medway League of Friends has a popular Facebook page which promotes both the equipment purchased via the League plus various staff activities, and updates on items for sale within our retail outlets, e.g. Christmas and Mother's Day. This has been a useful means to keep in touch with people especially during the COVID-19 situation. Once published, the news pages are either "liked" or "shared" by individual staff, volunteers and Trustees.

- Develop staff and encourage volunteers
  Staff retention in the last 12 months has been high and as a result we have had no roles within the hospital that were suitable for volunteers to move into. We did recruit two new members of staff for a satellite shop based in a local care home which was open to volunteer applicants, but none came forward.

  The past twelve months have been difficult times for both our volunteers and staff. The COVID-19 pandemic has reduced our numbers of voluntary workers from 135 to fewer than 10, but throughout the crisis we have attempted to maintain contact with them and keep them engaged whilst ensuring the safety of those able to attend.

  In order to keep the paid members of staff who were able to work motivated, we offered training courses that were selected based on their own requests or agreed areas for improvement as recorded during the appraisal process. As a result, people were trained in a range of subjects from conflict resolution to bookkeeping, health and safety, and employment law. in some cases these training courses shave also been selected with succession planning in mind.

  There is an established programme of performance management appraisals which aim to recognise achievement and further develop and train our staff, as we believe it is important to invest in people.

  The Star Awards take the form of a gold star-shaped pin badge. They recognise the outstanding contribution of individual volunteers. Anyone can nominate a recipient, and experience has shown that Star Award holders feel appreciated and know that their contribution is valued by colleagues and customers. The Awards are usually presented twice a year - at the Christmas lunch and Summer Tea Party (not taking place in 2020 due to the pandemic). We are reviewing the nomination process and the presentation of awards while large gatherings are prohibited.

  The increased use of social media has raised awareness and engagement. It has been especially valuable for maintaining contact with staff and volunteers, imparting information to those unable to work during the present situation. Alternative sources of fundraising are being investigated to generate income and encourage engagement with proposed events.

- Increase and develop the Leagues' trustees
  There has been no progress in increasing the number of Trustees. This is being carried forward into 2020/21 as specific Objective with renewed emphasis. A training course for Trustees had to be postponed because of the pandemic restrictions, and will be re-programmed in 2020/21.

- Update the League's charitable status
  Following the establishment of The Medway League of Friends as a new Charitable Incorporated Organisation on 1 August 2018 there were considerable administrative matters to resolve. These have all been completed.

The first five remain key objectives for 2020/21. The last is expanded as follows;

- Increase the number and diversity of the League's Trustees, and develop effective succession planning.

An additional key Objective will be:

- Improve the governance of the League by reviewing compliance with all relevant external regulations, ensuring all its policies are up to date and fit for purpose, and taking any other steps to ensure the core charity is insulated from any ill-effects experienced by the retail arm.

THE MEDWAY LEAGUE OF FRIENDS
TRUSTEES' REPORT

Trustees' Responsibilities

The trustees are responsible for preparing the Report of the Trustees 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 Charities SORP;
- make judgements 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

Approved by the trustees on 9/12/2020 2020 and signed on their behalf

D.A. May, Chairman

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE MEDWAY LEAGUE OF FRIENDS

Opinion

We have audited the financial statements of The Medway League of Friends (the 'charity') for the year ended 31 July 2020, which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes, 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 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting practice).

The financial statements have been prepared in accordance with 'Accounting and Reporting by Charities' preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2019.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs at 31 July 2020 and of its income and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis of 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 Auditors 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 United Kingdom, including the Financial Reporting Council'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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees' have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the 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 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 of 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 where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities statement, 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, of have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

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 of 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 my 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 my 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 represent the underlying transactions and events in a matter that achieves fair presentation.

Auditor's responsibilities for the audit of the financial statements (continued)

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 its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.



Kreston Reeves LLP
Statutory Auditor
Chatham Maritime

1 February 2021

Kreston Reeves LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

THE MEDWAY LEAGUE OF FRIENDS
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JULY 2020

	Notes	Unrestricted fund £	Restricted funds £	Total 2020 £	Total 2019 £
INCOME AND ENDOWMENTS					
Donations and legacies					
- Transfer of funds from former charity	3	-	-	-	813,022
- Donations		12,487	-	12,487	16,453
- Grants		24,305	10,000	34,305	-
Fundraising		1,466	-	1,466	2,787
Investment income					
- Interest on deposit accounts		1,059	-	1,059	2,260
Income from charitable activities					
- Operation of shops and trolley		1,418,764	-	1,418,764	1,882,236
TOTAL INCOME		1,458,081	10,000	1,468,081	2,716,758
EXPENDITURE					
Costs of raising funds		103	-	103	210
Expenditure on charitable activities	4	1,462,119	-	1,462,119	1,820,513
TOTAL EXPENDITURE		1,462,222	-	1,462,222	1,820,723
NET INCOME		(4,141)	10,000	5,859	896,035
Total funds brought forward		801,382	94,653	896,035	-
TOTAL FUNDS CARRIED FORWARD		797,241	104,653	901,894	896,035

All income and expenditure derive from continuing activities, all of which were transferred on 1 August 2018 to this charity from the unincorporated "Medway League of Friends". Further information is contained in note 2.

THE MEDWAY LEAGUE OF FRIENDS
BALANCE SHEET
AT 31 JULY 2020

	Notes	2020		2019	
		£	£	£	£
FIXED ASSETS					
Tangible fixed assets	12		17,453		22,267
CURRENT ASSETS					
Stocks		33,390		29,306	
Debtors and prepayments		6,169		4,220	
Investments		96,185		95,835	
Cash at bank and in hand		786,790		839,900	
		922,534		969,261	
CREDITORS: amounts falling due within one year					
Trade creditors		23,109		90,179	
Taxation and social security		3,517		-	
Other creditors		11,467		5,314	
		38,093		95,493	
NET CURRENT ASSETS			884,441		873,768
TOTAL ASSETS LESS CURRENT LIABILITIES			**901,894**		**896,035**
FUNDS OF THE CHARITY					
Unrestricted income fund	13		797,241		801,382
Restricted funds	13		104,653		94,653
TOTAL CHARITY FUNDS			**901,894**		**896,035**

Approved by the trustees on 9/12/2020 2020 and signed on their behalf

D.A. May, Chairman

THE MEDWAY LEAGUE OF FRIENDS
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JULY 2020

	2020 £	2019 £
Cash flows from operating activities:		
Cash generated from operations (see below)	(53,819)	93,253
Net cash provided by operating activities	(53,819)	93,253
Cash flows from investing activities:		
Purchase of tangible fixed assets	-	(20,353)
Interest received	1,059	2,260
Net cash provided from (used in) investing activities	1,059	(18,093)
Change in cash and cash equivalents in the reporting period	(52,760)	75,160
Cash and cash equivalents at the beginning of the reporting period	935,735	860,575
Cash and cash equivalents at the end of the reporting period	882,975	935,735

RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2020 £	2019 £
Net income for the reporting period (as per the statement of financial activities)	5,859	896,035
Adjustments for:		
Transfer of funds from former charity	-	(813,022)
Depreciation	4,814	4,862
Interest received	(1,059)	(2,260)
Increase in stocks (2019 : decrease)	(4,084)	2,868
Increase in debtors	(1,949)	(776)
Decrease in creditors (2019 : increase)	(57,400)	5,546
Net cash provided by operating activities	(53,819)	93,253

1 STATUTORY INFORMATION

The Medway League of Friends is registered in England and Wales under the Charities Act 2011 as a charitable incorporated organisation. The Charity's registered number and registered office address can be found within the Trustees' Report.

The presentation currency of the financial statements is the Pound Sterling (£).

2 ACCOUNTING POLICIES

(a) Basis of accounting

The financial statements of the charity, which is a public benefit entity under FRS102, have been prepared in accordance with the Charities SORP (FRS 102) "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)", Financial Reporting Standard 102 "The Financial Standard applicable in the UK and Republic of Ireland" and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

(b) Going Concern

When preparing the financial statements, the Trustees have assessed whether there are significant doubts about the charity's ability to continue as a going concern. There are no material uncertainties of which the Trustees are aware in making their assessment.

The Trustees have considered the downside scenarios as a result of the COVID-19 pandemic and its impact on the operation of its shops and trolley, and the ability to make grant payments. They consider that the charity has sufficient cash reserves to enable it to meet its obligations as they fall due for a period of at least 12 months from the date of signing of these financial statements. As such, the Trustees are satisfied that the charity has adequate resources to continue to operate for the foreseeable future and they continue to adopt the going concern basis for preparing these financial statements.

(c) Income

Voluntary income, which includes donations, gifts and legacies, and fundraising income are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Investment income is recognised on a receivable basis and arises from interest bearing deposit accounts.

Income from charitable activities includes the sales from the League's shops and trolley at the Medway Maritime Hospital. All amounts exclude value added tax.

(d) Volunteers and donated services and facilities

No value is incorporated into these financial statements for the services provided by volunteers or where services are provided to the charity as a donation that would normally be purchased from suppliers.

(e) Expenditure

Expenditure is recognised when a liability is incurred. Grant payments are recognised when a liability or constructive obligation arises that results in the payment being unavoidable.

Costs of generating funds are those costs incurred in attracting voluntary income.

Charitable activities include expenditure associated with the League's shops and trolley and grants of equipment and services to the Medway NHS Foundation Trust and others. The expenditure includes both the direct costs and support costs relating to these activities.

Governance and support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

(f) Financial instruments

The charity enters into basic financial instruments that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans to and from banks, and other third parties. Basic financial instruments are recognised at amortised cost, with changes recognised in the statement of financial activities.

(g) Tangible fixed assets

Fixed assets are stated at historical cost less accumulated depreciation. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset over its estimated useful life at the following rates:

Computer equipment - 33% on cost Other assets - 15% on cost

Assets which cost less than £500 are not capitalised.

(h) Stocks

Stocks are included at the lower of cost and net realisable value. Stocks consists of goods for resale from the shops and trolley.

(i) Funds structure

The charity has restricted income funds to account for situations where a donor requires that a donation must be spent on a particular purpose or where funds have been raised for a specific purpose.

All other funds are unrestricted income funds. The trustees receive requests from Medway NHS Foundation Trust to make donations and purchase equipment for the Trust. Once the trustees agree that they will offer financial support, a transfer is made to a designated fund for that purpose.

3 COMPARATIVE FIGURES

The Medway League of Friends began operations on 1 August 2018 following the transfer to it of the operations formerly carried on by the unincorporated charity the "Medway League of Friends". The comparative figures include an amount of £813,022 separately disclosed representing the net assets acquired at that date.

4 EXPENDITURE ON CHARITABLE ACTIVITIES

	Operation of shops and trolley	Grants payable	Hospital Radio	Total 2020	Total 2019
	£	£	£	£	£
Shop purchases for resale	881,060	-	-	881,060	1,178,806
Wages and salaries (see note 9)	275,673	-	-	275,673	228,778
Purchase of equipment and other donations (see note 8)	-	212,572	-	212,572	315,223
Bank charges and cash processing fees	21,643	-	-	21,643	20,670
Travel and motor expenses	6,468	-	-	6,468	11,011
Depreciation	4,814	-	-	4,814	4,862
Equipment maintenance and computer costs	19,871	-	4,917	24,788	32,542
Clothing costs	-	-	-	-	1,908
Printing postage and stationery	3,069	-	-	3,069	3,471
Telephone and other costs	1,203	-	2,190	3,393	3,204
Governance and support costs (see note 5)	24,250	4,247	142	28,639	20,038
	1,238,051	216,819	7,249	1,462,119	1,820,513

5 GOVERNANCE AND SUPPORT COSTS

	Charitable activities	Governance	Total 2020	Total 2019
	£	£	£	£
Audit and accountancy	6,275	3,750	10,025	9,870
Attend subscription and insurance	1,509	-	1,509	1,317
Legal & Professional fees	-	12,995	12,995	779
Staff entertaining	2,732	-	2,732	2,853
Rent	1,007	-	1,007	4,872
Bank charges	371	-	371	347
	11,894	16,745	28,639	20,038

6 TAXATION

The League is a registered charity and no provision is considered necessary for taxation.

7 SUPPORT FOR CHARITABLE ACTIVITIES

This table shows the income arising from and the costs of the operation of the shops and trolley and the surplus that arises therefrom which provides additional support for charitable activities.

	2020	2019
	£	£
Income	1,418,764	1,882,236
Costs	(1,238,051)	(1,498,566)
Net funding for other activities	180,713	383,670

8 GRANTS PAYABLE

	2020	2019
	£	£
Medway NHS Foundation Trust	211,911	314,826
Others	661	397
	212,572	315,223

Grants to Medway NHS Foundation Trust are for the purchase of equipment and for the funding of various projects and services. The major items funded in this year are:

	£
Laser System	97,600
3 RITA systems	19,485
Ultrasound scanner	9,730
1 Continuous Positive Airway Pressure machine	7,495
Defibrillator	7,266
Beach chair- Sunderland Theatres	6,616
Dementia friendly garden	6,240
Refrigerated Centrifuge	5,435
ECG machine and Dinamap	4,764
Toys for sensory room	4,556
Other items costing less than £4,500 each bid	42,724
	211,911

9 STAFF COSTS AND NUMBERS

	2020	2019
	£	£
Wages and salaries	261,753	218,205
Social security costs	10,142	8,016
Employer's contribution to defined contribution pension scheme	3,778	2,557
	275,673	228,778

The average monthly number of employees during the year was 18 (2019 : 18). No employees received emoluments in excess of £60,000.

There are no key management personnel other than the trustees.

10 TRUSTEE REMUNERATION

None of the trustees have been paid any remuneration or received any other benefits. Two trustees have been reimbursed a total of £270 for expenses incurred on behalf of the League for gifts to volunteers.

11 AUDITORS' REMUNERATION

	2020	2019
	£	£
Auditing the accounts	3,750	1,620
Other financial services including accountancy, payroll and taxation returns	-	8,250
	3,750	9,870

12 TANGIBLE FIXED ASSETS

Fixtures, fittings and equipment

	£
Cost	
- at 1 August 2019 and 31 July 2020	27,129
Depreciation	
- at 1 August 2019	4,862
- charge for year	4,814
- at 31 July 2020	9,676
Net book values	
- at 31 July 2020	17,453
- at 31 July 2019	22,267

13 STATEMENT OF CHANGES IN EQUITY

	General fund	Restricted funds	Total
	£	£	£
Balance at 1 August 2019	801,382	94,653	896,035
Income	1,458,081	10,000	1,468,081
Expenditure	(1,462,222)	-	(1,462,222)
Balance at 31 July 2020	797,241	104,653	901,894

The funds held at the year-end date are as follows:

- Fixed assets	17,453	-	17,453
- Cash	682,137	104,653	786,790
- Net other current assets	97,651	-	97,651
- Total funds	797,241	104,653	901,894

The restricted funds are monies received from:

- Medway Cancer Scanner Appeal upon it ceasing to exist, and which can only be used on the development of new clinical services and innovative technology.	94,653
- National Lottery Awards for All for the hospital radio to set up a short-range FM transmitter in the hospital grounds and issue receivers to patients	10,000
	104,653

14 RELATED PARTY TRANSACTIONS

There are no related party transactions in the current year. In the previous year, as described in the notes above, the charity received funds of £813,022 from the former unincorporated charity which was under the control of many of the trustees of the new charity.

THE MEDWAY LEAGUE OF FRIENDS
MANAGEMENT SCHEDULES - not part of the financial statements
FOR THE YEAR ENDED 31 JULY 2020

MEDWAY

	2020		2019	
	£	£	£	£
INCOME				
Main shop		1,255,998		1,624,504
Accident & Emergency		114,169		156,518
A Block and Trolley		44,167		101,214
Wainscott		4,430		-
Job Retention Scheme Grant		14,305		-
Medway Council Grant		10,000		-
		1,443,069		1,882,236
COST OF SALES				
Opening stock	29,306		32,174	
Purchases for resale	885,144		1,175,938	
Closing stock	(33,390)		(29,306)	
		881,060		1,178,806
GROSS PROFIT		562,009		703,430
OTHER COSTS				
Wages and salaries	271,895		226,221	
Pensions	3,778		2,557	
Travel and motor expenses	6,468		11,011	
Depreciation	4,814		4,862	
Equipment maintenance and renewals	17,201		22,512	
Computer costs and software support	2,670		5,015	
Clothing costs	-		1,908	
Cash collection fees	6,610		7,537	
Bank charges and cash processing fees	15,033		13,133	
Printing postage and stationery	3,069		3,471	
Telephone	661		529	
Training	542		844	
Sundries	-		122	
		332,741		299,722
SURPLUS OF INCOME OVER EXPENDITURE		**229,268**		**403,708**

THE MEDWAY LEAGUE OF FRIENDS
MANAGEMENT SCHEDULES - not part of the financial statements
FOR THE YEAR ENDED 31 JULY 2020

HOSPITAL RADIO

	2020		2019	
	£	£	£	£
INCOME				
Donations		2,320		5,086
Fundraising		1,466		2,361
Members' subscriptions		192		281
Lottery grant		10,000		-
Sundry income		664		426
		14,642		8,154
EXPENDITURE				
Studio costs	4,852		4,666	
Engineering and maintenance	-		51	
Music library	65		298	
Telephone	402		391	
Subscriptions	738		566	
Insurance	538		509	
Fundraising expenses	103		210	
Sundries	512		243	
		7,210		6,934
SURPLUS OF INCOME OVER EXPENDITURE		**7,432**		**1,220**

TREASURERS ACCOUNT

	2020		2019	
	£	£	£	£
INCOME				
Donations and legacies		9,311		11,086
Bank interest		1,059		2,260
		10,370		13,346
EXPENDITURE				
Grants and donated equipment to NHS	211,911		314,826	
Other donations	661		397	
Audit and accountancy	10,025		9,870	
Attend subscription and insurance	1,509		1,317	
Legal & Professional fees	12,995		779	
Staff entertaining	2,732		2,853	
Rent	1,007		4,872	
Bank charges	371		347	
		241,211		335,261
DEFICIT OF INCOME TO EXPENDITURE		**(230,841)**		**(321,915)**