

**THE LEAGUE OF FRIENDS OF THE KIDDERMINSTER HOSPITALS
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

THE LEAGUE OF FRIENDS OF THE KIDDERMINSTER HOSPITALS

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Mrs Y Bannister
Miss S Driscoll
Mrs P Grainger
Mrs. M A Herbert
Mrs S J Lee
Mr P J Picken QPM (Chairman)
Mr M J Shellie (Vice Chairman)
Dr R Taylor FRCP MBE (President)
Mr G Wheeler
Mr C S Joyce
Mrs M Steadman
Mrs J M Cox
Mrs Patricia Kelly (Treasurer)
Mrs Christine Titley
Mrs Nicolina Worton

(Appointed 20 September
2022)

Mr David Middleton

(Appointed 20 September
2022)

Charity number

226536

Principal address

Kidderminster Hospital
Bewdley Road
Kidderminster
Worcestershire
United Kingdom
DY11 6RJ

Independent examiner

Azets
1st Floor
Copthall House
1 New Road
Stourbridge
West Midlands
United Kingdom
DY8 1PH

Bankers

CAF Bank Ltd
PO Box 289
Kings Hill
West Malling
Kent
United Kingdom
ME18 4TA

Solicitors

mfg Solicitors LLP
Adam House
Birmingham Road
Kidderminster
Worcestershire
United Kingdom
DY10 2SH

THE LEAGUE OF FRIENDS OF THE KIDDERMINSTER HOSPITALS

LEGAL AND ADMINISTRATIVE INFORMATION

Investment advisors

Brewin Dolphin
9 Colmore Row
Birmingham
B3 2BJ
United Kingdom

THE LEAGUE OF FRIENDS OF THE KIDDERMINSTER HOSPITALS

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THE LEAGUE OF FRIENDS OF THE KIDDERMINSTER HOSPITALS

TRUSTEES REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2022

The trustees present their annual report and financial statements for the year ended 30 September 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's constitution dated 27 March 1963 (redrafted 2 December 1986), the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

The main purpose of the League is to relieve patients and former patients of the Kidderminster Hospitals and other invalids in the community who are sick, convalescent, disabled, handicapped, infirm or in need of financial assistance and generally to support the charitable work of the said Kidderminster Hospitals.

The Trustees have referred to the guidance issued by the Charity Commission on public benefit when reviewing the aims and objectives of the charity and in planning future activities.

Achievements and performance

This year started in October 2021 in challenging times. The Covid restrictions imposed to keep everyone safe had generally been relaxed nationally, but the Worcestershire Acute Trust had not changed their rules. There was still concern that there was a risk of Covid being transmitted, so they decided that they would not relax the conditions on their hospital sites. We did continually ask for updates on the situation and take Health and Safety advice on our premises in order to prepare for the opening of the Coffee Shop. We took the opportunity to have the premises and equipment thoroughly cleaned and redecorated. We also had a screen fitted and reduced the numbers of tables and chairs so that we could open as soon as the Acute Trust relaxed their rules.

This was a difficult time as many of our Volunteers were very keen to return and could see everywhere else returning to normal, albeit with added safety features, such as screens and one-way systems, but we were not able to.

It was not until July 2022 that we learned we should be ready to trade, so had to ensure our coffee shop had all necessary changes in place to make it safe for us to re-open. In reviewing our procedures, we had to change our practices to ensure our volunteers working in the kitchen area could comply with the Health and Safety advice. All volunteers who handled food had to have the Food and Hygiene Safety Certificate, which we managed to do.

Due to the length of time we had been forced to close the opening was staged to ensure we complied with all the advice from the Trust and that everyone was safe. This was a difficult time, with several of our volunteers unable to re-join and replacing them proved very difficult. But by the end of the financial year we had managed to have the early and midday shifts operating but did not have cover for the afternoon shift.

With the opening of the Coffee Shop we have been able to offer the second-hand books stand and this is working quite well.

Due to the stringent conditions we still did not have any volunteers working in the Wards and Departments.

Our AGM for the year ending 30 September 2021 was held on 28 September 2022.

THE LEAGUE OF FRIENDS OF THE KIDDERMINSTER HOSPITALS

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

We are grateful that our Treasurer, Pat Kelly worked hard to keep a tight rein on our finances. This ensured that although the Covid issues caused very difficult challenges, we are able to look forward with optimism that our Charity is very able to continue in the future.

This year was also very challenging for our Administrator, Natalie Mason, whose enthusiasm and dedication ensured we were able to keep the office open, all necessary work completed, and everyone updated.

We were able to consider applications from the various departments of the Hospital and purchase much needed items in accordance with our Charity Aims.

The Kidderminster Hospital continues to provide a valuable contribution and service to the local community and there are plans for certain Departments to develop to provide even more services so there is a continued need for our Charity to provide financial support.

The support we previously provided, including The Wayfinders, Trolley Service and support on the Wards, were missed and again liaison continued with the Trust but these services could not at that time, be reintroduced.

We would thank our professional advisors; MFG llp - solicitors, Azets – Chartered Accountants and Brewin Dolphin – Investment Advisors, for their services.

We also acknowledge the help and advice offered throughout the year by hospital staff.

Financial review

Following the lifting of COVID restrictions the coffee shop was able to reopen in July 2022. Initially, footfall was limited but this slowly increased in the following months with takings totalling £10,057 by the 30 September 2022.

Legacies and donations totalling £13,489 were received, with an additional £524 raised from online and book sales.

Limited meetings have been held by the Finance Committee, with the last meeting being held April. It has been agreed that moving forward, meetings will be held quarterly in February, April, July and October with invites extended to Brewin Dolphin for just the April and October meetings.

We would like to thank our administrator, Natalie Mason for her continued hard work in coordinating all office and volunteer requirements as well as supporting our various committees. Thanks also goes to our Chairman, Peter Picken, for his unwavering support to the various committees over the last 12 months.

We continue to receive requests for funding on the Kidderminster site and all applications are carefully inspected before approval. During this year, we have given £8,676 to successful applicants, and we have committed to a further £196,289 to three departments on site. A further £26,320 has been earmarked for other specific purposes which includes £23,543 being held for the Millbrook Suite.

Reserves Policy

This year, the Committee has continued its reserves policy, whereby a substantial portion of the funds is retained and suitably invested. These investments now produce a monthly income stream to support our charity giving in to hospital. Further reserves are now invested with the Charity Aid Foundation to give us a competitive interest rate, and to add flexibility in our daily banking needs.

Investment Policy

The acquisition of Brewin Dolphin, who manage our investment portfolio, was completed on 27 September by the Bank of Canada. No change in the day to day management of the portfolio is envisaged as a result of this. The Investment portfolio continues to provide a reliable source of income each month, with our reserves standing at £645,145. The portfolio has generated an annual income of £20,987 (an estimated annual yield of 3.2%). The portfolio continues to be managed on a low to moderate basis, with a bias towards providing an income return, in line with our long-term investment strategy. A copy of our full Investment Policy can be obtained from the League of Friends office. The Finance committee will review the policy with the investment manager on a Quarterly basis.

THE LEAGUE OF FRIENDS OF THE KIDDERMINSTER HOSPITALS

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

The Trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Plans for the future

The Trustees will continue to review all aspects of the charity finances, so that the objectives of the charity can be maintained.

With the continued uncertainty surrounding the NHS the Trustees will remain mindful of the possible long-term effect on local healthcare.

During the forthcoming year the League will endeavour to enlist the services of more volunteers to assist with our various projects.

Structure, governance and management

The League was established by its constitution dated 27 March 1963 which was redrafted on 2 December 1986.

The Trustees who served during the year and up to the date of signature of the financial statements were:

| | |
|----------------------------------|-------------------------------|
| Mrs Y Bannister | |
| Mr C Darby ACMA | (Resigned 24 November 2022) |
| Mrs D Darby | (Resigned 24 November 2022) |
| Miss S Driscoll | |
| Mrs P Grainger | |
| Mrs. M A Herbert | |
| Mrs J E Hodgson | (Resigned 14 December 2022) |
| Mrs S J Lee | |
| Mr P J Picken QPM (Chairman) | |
| Mr M J Shellie (Vice Chairman) | |
| Dr R Taylor FRCP MBE (President) | |
| Mr G Wheeler | |
| Mr C S Joyce | |
| Mrs M Steadman | |
| Mrs J M Cox | |
| Mrs Patricia Kelly (Treasurer) | |
| Mrs Christine Titley | |
| Mrs Nicolina Worton | (Appointed 20 September 2022) |
| Mr David Middleton | (Appointed 20 September 2022) |

New committee members (i.e. Trustees) are people with either medical qualifications, or with a very strong local background. All are elected at our Annual General Meeting, but occasionally serve on a co-opted basis beforehand.

All Trustees are provided with the following:

- History and background information
- A copy of the constitution
- A copy of the previous year's accounts and report
- A copy of the last Board minutes

The administration of the League is normally carried out by a management committee governed by its objectives and rules, meeting monthly to be updated with affairs, and to discuss, examine and decide upon requests for support from hospital units.

During this period, trustees have been consulted on key issues by the acting chairman when appropriate and have been given opportunities to have an input into important decisions.

THE LEAGUE OF FRIENDS OF THE KIDDERMINSTER HOSPITALS

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

Post Balance Sheet Events

Implications of COVID-19 control measures and charity financial reporting

The activities of the charity were severely affected during the whole of this year due to the Government Restrictions. Although some restrictions were lifted to permit general shops to open, the Health and Safety advice was that The Kidderminster Hospital premises was not a suitable place for our Coffee shop and other Volunteers to be allowed work.

We reduced our expenditure and due to years of prudent management our Investments allowed us to continue to provide funding for some applications received from our donations and reserves.

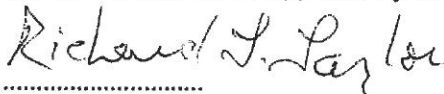
Our Investment Portfolio was well managed and the latest update from Brewin Dolphin, our Investment Advisors show that an expected estimated gross income yield of 2.7%

We continue to function as a Charity, and we do not have any concerns as to the future sustainability or viability as a going concern and once all the current restrictions are lifted and we are able to resume trading.

Implications of the Ukraine Invasion on our Charity

The Trustees take advice from Brewin Dolphin, our Investment advisors and ensure our Investment Portfolio is in accordance with our policy. We recognise that in the current situation there is an increase in uncertainty and the risk increased. Due to the broad spread of investments we are not likely to be disadvantaged greatly. History has shown that equities have been resilient during periods of crisis in the past and we continue to take advice from our Independent Financial Advisors.

The Trustees report was approved by the Board of Trustees.



Dr R Taylor FRCP MBE (President)

Trustee

Dated: 13.7.23

THE LEAGUE OF FRIENDS OF THE KIDDERMINSTER HOSPITALS

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE LEAGUE OF FRIENDS OF THE KIDDERMINSTER HOSPITALS

I report to the trustees on my examination of the financial statements of The League of Friends of the Kidderminster Hospitals (the charity) for the year ended 30 September 2022.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



Jane Swann BA(Hons) BFP FCA

Azets

1st Floor
Copthall House
1 New Road
Stourbridge
West Midlands
DY8 1PH
United Kingdom

Dated: 13 July 2023

THE LEAGUE OF FRIENDS OF THE KIDDERMINSTER HOSPITALS

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30 SEPTEMBER 2022

| | Notes | Unrestricted funds £ | Restricted funds £ | Total 2022 £ | Total 2021 £ |
|---|-------|----------------------------|--------------------------|--------------------|--------------------|
| Income from: | | | | | |
| Donations and legacies | 3 | 13,489 | - | 13,489 | 30,021 |
| <u>Other trading activities</u> | | | | | |
| Coffee shop | 4 | 10,057 | - | 10,057 | - |
| Kidderminster shop | 4 | - | - | - | 1,351 |
| Book sales | 4 | 162 | - | 162 | - |
| Online sales | 4 | 362 | - | 362 | - |
| Investments | 5 | 20,987 | - | 20,987 | 20,112 |
| Total income | | 45,057 | - | 45,057 | 51,484 |
| Expenditure on: | | | | | |
| Raising funds | 6 | 6,979 | - | 6,979 | 6,615 |
| <u>Other trading expenditure</u> | | | | | |
| Coffee shop | 7 | 37,810 | - | 37,810 | 21,883 |
| Kidderminster shop | 7 | - | - | - | 21,505 |
| <u>Charitable activities</u> | | | | | |
| Equipment grants | 8 | 5,763 | 2,913 | 8,676 | 5,018 |
| Total trading expenditure | | 43,573 | 2,913 | 46,486 | 48,406 |
| Total resources expended | | 50,552 | 2,913 | 53,465 | 55,021 |
| Net gains/(losses) on investments | 12 | (65,327) | - | (65,327) | 84,100 |
| Net movement in funds | | (70,822) | (2,913) | (73,735) | 80,563 |
| Fund balances at 1 October 2021 | | 792,733 | 29,233 | 821,966 | 741,403 |
| Fund balances at 30 September 2022 | | 721,911 | 26,320 | 748,231 | 821,966 |

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

THE LEAGUE OF FRIENDS OF THE KIDDERMINSTER HOSPITALS

BALANCE SHEET

AS AT 30 SEPTEMBER 2022

| | Notes | 2022 £ | £ | 2021 £ | £ |
|---|-------|-----------|---------|-----------|---------|
| Fixed assets | | | | | |
| Tangible assets | 14 | | 1,284 | | 2,338 |
| Investments | 15 | | 645,145 | | 720,124 |
| | | | | | |
| | | | 646,429 | | 722,462 |
| Current assets | | | | | |
| Stocks | 17 | 2,584 | | - | |
| Debtors | 18 | 2,211 | | 4,711 | |
| Cash at bank and in hand | | 103,674 | | 100,857 | |
| | | | | | |
| | | | 108,469 | | 105,568 |
| Creditors: amounts falling due within one year | 19 | (6,667) | | (6,064) | |
| | | | | | |
| Net current assets | | | 101,802 | | 99,504 |
| | | | | | |
| Total assets less current liabilities | | | 748,231 | | 821,966 |
| | | | | | |
| Income funds | | | | | |
| Restricted funds | 20 | | 26,320 | | 29,233 |
| <u>Unrestricted funds</u> | | | | | |
| Designated funds | 21 | 94,773 | | 200,618 | |
| General unrestricted funds | | 627,138 | | 592,115 | |
| | | | | | |
| | | | 721,911 | | 792,733 |
| | | | | | |
| | | | 748,231 | | 821,966 |

The financial statements were approved by the Trustees on

13th July 2023

Richard L Taylor

Dr R Taylor FRCP MBE (President)
Trustee

Patricia Kelly

Mrs Patricia Kelly (Treasurer)
Trustee

THE LEAGUE OF FRIENDS OF THE KIDDERMINSTER HOSPITALS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2022

1 Accounting policies

Charity information

The League of Friends of the Kidderminster Hospitals is a charity established by its constitution dated 27th March 1963 which was redrafted on 2nd December 1986.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's constitution document, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

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

THE LEAGUE OF FRIENDS OF THE KIDDERMINSTER HOSPITALS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

1 Accounting policies

(Continued)

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

Donated goods to the Second Gear shop are not valued as they are not capable of financial measurement. The income is included in the accounting period in which the gift is sold.

Donated facilities are included in the accounts at a notional figure where the trustees are able to estimate the value of the facilities received.

Government grants are recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Takings from the coffee shop and refreshment trolley are recognised as income when received.

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

No amount is included in the financial statements for volunteer time in line with the SORP. Further detail is given in the Trustees' Annual Report.

1.5 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

Cost of raising funds includes the investment management costs.

Other trading expenditure includes costs of trading for fundraising purposes including the charity's Second Gear shops, coffee bar and refreshment trolley.

Expenditure on charitable activities comprise those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both grants payable and those costs of an indirect nature necessary to support them, together with the governance costs.

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources. Overheads have been allocated evenly across all activities.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, these are accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance then the grant is only accrued when any unfulfilled conditions are outside of the control of the charity.

THE LEAGUE OF FRIENDS OF THE KIDDERMINSTER HOSPITALS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

1 Accounting policies

(Continued)

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

| | |
|---------------------|-------------|
| Plant and equipment | 20% on cost |
|---------------------|-------------|

Individual assets under £200 are not capitalised.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains / (losses) on investments' in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably. Transaction costs are expensed as incurred.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Stocks

Stocks are stated at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, and other short-term liquid investments with original maturities of three months or less.

1.11 Financial instruments

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments.

Basic financial instruments are initially recognised at transaction value and subsequently measured at their fair value or settlement value.

1.12 Taxation

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

THE LEAGUE OF FRIENDS OF THE KIDDERMINSTER HOSPITALS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

1 Accounting policies

(Continued)

1.13 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.14 Retirement benefits

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

1.15 Debtors and creditors receivable/payable within one year

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

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The trustees do not consider that the financial statements are subject to any significant judgements or key accounting estimates.

3 Donations and legacies

| | Unrestricted funds | Unrestricted funds |
|----------------------------|-----------------------|-----------------------|
| | 2022 | 2021 |
| | £ | £ |
| Donations and gifts | 8,174 | 4,183 |
| Legacies receivable | 1,158 | 5,000 |
| Government grant income | 657 | 17,338 |
| Donated goods and services | 3,500 | 3,500 |
| | <u>13,489</u> | <u>30,021</u> |

Government grant income

Government grants have been received for the retention of staff during the Covid-19 pandemic and business grants have also been received to support the charity during the Covid-19 pandemic.

Donated goods and services

Donated goods and services consists of rent for the Coffee shop.

THE LEAGUE OF FRIENDS OF THE KIDDERMINSTER HOSPITALS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

4 Other trading activities

| | Coffee shop 2022 £ | Book sales 2022 £ | Online sales 2022 £ | Total 2022 £ | Kidderminster shop 2021 £ |
|-------|--------------------------|-------------------------|---------------------------|--------------------|---------------------------------|
| Sales | 10,057 | 162 | 362 | 10,581 | 1,351 |

THE LEAGUE OF FRIENDS OF THE KIDDERMINSTER HOSPITALS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

5 Investments

| | Unrestricted funds | Unrestricted funds |
|--------------------------------|-----------------------|-----------------------|
| | 2022 | 2021 |
| | £ | £ |
| Income from listed investments | 20,846 | 20,104 |
| Interest receivable | 141 | 8 |
| | <u>20,987</u> | <u>20,112</u> |

6 Raising funds

| | Unrestricted funds | Unrestricted funds |
|-----------------------------|-----------------------|-----------------------|
| | 2022 | 2021 |
| | £ | £ |
| Investment management costs | 6,979 | 6,615 |
| | <u>6,979</u> | <u>6,615</u> |

THE LEAGUE OF FRIENDS OF THE KIDDERMINSTER HOSPITALS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

7 Other trading expenditure

| | Coffee shop | Kidderminster shop | Total 2022 | Total 2021 |
|---|---------------|--------------------|---------------|---------------|
| | £ | £ | £ | £ |
| Depreciation and impairment | 1,054 | - | 1,054 | 1,170 |
| Purchases | 6,947 | - | 6,947 | 3,055 |
| Rent | 3,500 | - | 3,500 | 11,000 |
| Electricity | - | - | - | 234 |
| Business rates | 259 | - | 259 | 179 |
| Postage and stationery | 305 | - | 305 | 12 |
| Cleaning | - | - | - | 204 |
| Phone | 104 | - | 104 | 176 |
| Repairs | 284 | - | 284 | - |
| Parking permits | - | - | - | (450) |
| Sundry | 753 | - | 753 | - |
| | <u>13,206</u> | <u>-</u> | <u>13,206</u> | <u>15,580</u> |
| Share of support costs (see note 9) | 21,651 | - | 21,651 | 24,138 |
| Share of governance costs (see note 9) | 2,953 | - | 2,953 | 3,670 |
| | <u>37,810</u> | <u>-</u> | <u>37,810</u> | <u>43,388</u> |
| For the year ended 30 September 2021 | | | | |
| Unrestricted funds | 21,883 | 21,505 | | 43,388 |
| | <u>21,883</u> | <u>21,505</u> | | <u>43,388</u> |

8 Grants payable

| | Equipment grants 2022 | Equipment grants 2021 |
|--|-----------------------|-----------------------|
| | £ | £ |
| Grants to institutions (5 grants): | | |
| Milbrook Suite - Kitchen alterations | 2,714 | - |
| Wyre Forest Ward - 17 High back patient chairs | - | 3,956 |
| MIU - Privacy Screen | - | 1,062 |
| Wyre Forest Ward - TV | 199 | - |
| Audiology Dept - Ear wax removal system | 2,174 | - |
| Outpatients skeleton | 594 | - |
| Physio Dept - Treadmill | 2,995 | - |
| | <u>8,676</u> | <u>5,018</u> |

All grants payable are hospital appropriations made to Kidderminster Hospitals.

THE LEAGUE OF FRIENDS OF THE KIDDERMINSTER HOSPITALS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2022

8 Grants payable

(Continued)

9 Support costs

| | Support costs | Governance costs | 2022 | 2021 | Basis of allocation |
|--------------------------|---------------|------------------|---------------|---------------|------------------------------------|
| | £ | £ | £ | £ | |
| Staff costs | 17,318 | - | 17,318 | 20,187 | Allocated evenly across activities |
| Telephone & broadband | 730 | - | 730 | 646 | |
| Postage and stationery | 857 | - | 857 | 547 | |
| Sundry | 647 | - | 647 | 859 | |
| Subscriptions | 964 | - | 964 | 830 | |
| Bank charges | 90 | - | 90 | 87 | |
| Insurance | 1,045 | - | 1,045 | 982 | |
| Legal and professional | - | 13 | 13 | - | Governance |
| Accountancy fees | - | 2,940 | 2,940 | 3,670 | Governance |
| | <u>21,651</u> | <u>2,953</u> | <u>24,604</u> | <u>27,808</u> | |
| Analysed between | | | | | |
| Other trading activities | <u>21,651</u> | <u>2,953</u> | <u>24,604</u> | <u>27,808</u> | |

Included in governance costs is the Independent Examiners remuneration which amounts to an Independent Examination fee of £2,880 (2021 - £2,820).

10 Trustees

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

11 Employees

The average monthly number of employees during the year was:

| | 2022 Number | 2021 Number |
|---------------------|----------------|----------------|
| Administration | <u>1</u> | <u>2</u> |
| Employment costs | 2022 £ | 2021 £ |
| Wages and salaries | 16,998 | 19,950 |
| Other pension costs | 320 | 237 |
| | <u>17,318</u> | <u>20,187</u> |

THE LEAGUE OF FRIENDS OF THE KIDDERMINSTER HOSPITALS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2022

11 Employees

(Continued)

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

12 Net gains/(losses) on investments

| | Unrestricted funds | Unrestricted funds |
|------------------------------------|-----------------------|-----------------------|
| | 2022 | 2021 |
| | £ | £ |
| Revaluation of investments | (105,842) | 84,504 |
| Gain/(loss) on sale of investments | 40,515 | (404) |
| | <u>(65,327)</u> | <u>84,100</u> |

13 Taxation

The charity is exempt from tax on its charitable activities.

14 Tangible fixed assets

| | Plant and equipment £ |
|------------------------------------|--------------------------|
| Cost | |
| At 1 October 2021 | 12,194 |
| At 30 September 2022 | <u>12,194</u> |
| Depreciation and impairment | |
| At 1 October 2021 | 9,856 |
| Depreciation charged in the year | 1,054 |
| At 30 September 2022 | <u>10,910</u> |
| Carrying amount | |
| At 30 September 2022 | <u>1,284</u> |
| At 30 September 2021 | <u>2,338</u> |

THE LEAGUE OF FRIENDS OF THE KIDDERMINSTER HOSPITALS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

15 Fixed asset investments

| | Listed investments £ |
|--------------------------|----------------------------|
| Cost or valuation | |
| At 1 October 2021 | 720,124 |
| Additions | 87,711 |
| Valuation changes | (105,842) |
| Return of capital | (7,626) |
| Disposals | (49,222) |
| | <hr/> |
| At 30 September 2022 | 645,145 |
| | <hr/> |
| Carrying amount | |
| At 30 September 2022 | 645,145 |
| | <hr/> |
| At 30 September 2021 | 720,124 |
| | <hr/> |

The fair value of listed investments is determined by reference to the market value as at 30 September 2022 as provided by Brewin Dolphin.

| 16 Financial instruments | 2022 £ | 2021 £ |
|---|-----------|-----------|
| Carrying amount of financial assets | | |
| Instruments measured at fair value through profit or loss | 645,145 | 720,124 |
| | <hr/> | <hr/> |
| 17 Stocks | 2022 £ | 2021 £ |
| Finished goods and goods for resale | 2,584 | - |
| | <hr/> | <hr/> |
| 18 Debtors | 2022 £ | 2021 £ |
| Amounts falling due within one year: | | |
| Other debtors | 2,211 | 4,711 |
| | <hr/> | <hr/> |

THE LEAGUE OF FRIENDS OF THE KIDDERMINSTER HOSPITALS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

19 Creditors: amounts falling due within one year

| | 2022 £ | 2021 £ |
|------------------------------------|--------------|--------------|
| Other taxation and social security | 194 | - |
| Trade creditors | 1,798 | 1,530 |
| Other creditors | 4,675 | 4,534 |
| | <u>6,667</u> | <u>6,064</u> |

20 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

| | Balance at 1 October 2020 | Movement in funds Incoming resources | Balance at 1 October 2021 | Resources expended | Balance at 30 September 2022 |
|--------------------------------|------------------------------|---|------------------------------|-----------------------|------------------------------------|
| | £ | £ | £ | £ | £ |
| Millbrook Suite (League funds) | 23,543 | - | 23,543 | - | 23,543 |
| Millbrook Suite (other) | 4,954 | - | 4,954 | (2,714) | 2,240 |
| Prostate care unit | 200 | - | 200 | - | 200 |
| Wyre Forest Community unit | 294 | - | 294 | (199) | 95 |
| Breast cancer clinic | 204 | - | 204 | - | 204 |
| Endoscopy department | 20 | - | 20 | - | 20 |
| Physiotherapy department | 18 | - | 18 | - | 18 |
| | <u>29,233</u> | <u>-</u> | <u>29,233</u> | <u>(2,913)</u> | <u>26,320</u> |

Millbrook Suite

This represents funds to be used in a unit specialising in the treatment of patients suffering from cancer.

Prostate Care Unit

This represents funds to be used for patients suffering from prostate cancer.

Physiotherapy Department

This represents funds to be used for equipment in the physiotherapy department.

Wyre Forest Community Unit

This represents funds to be used on the Wyre Forest Ward.

Breast Cancer Clinic

This represents funds to be used on the Breast Cancer Clinic.

Endoscopy Department

This represents funds to be used for endoscopy equipment.

THE LEAGUE OF FRIENDS OF THE KIDDERMINSTER HOSPITALS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2022

21 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

| | Balance at 1 October 2020 | Movement in funds Incoming resources | Balance at 1 October 2021 | Resources expended | Balance at 30 September 2022 |
|---------------------|------------------------------|---|------------------------------|-----------------------|------------------------------------|
| | £ | £ | £ | £ | £ |
| Revaluation reserve | 115,892 | 84,726 | 200,618 | (105,845) | 94,773 |
| | <u>115,892</u> | <u>84,726</u> | <u>200,618</u> | <u>(105,845)</u> | <u>94,773</u> |

22 Analysis of net assets between funds

| | Unrestricted 2022 £ | Restricted 2022 £ | Total 2022 £ | Unrestricted 2021 £ | Restricted 2021 £ | Total 2021 £ |
|--|---------------------------|-------------------------|--------------------|---------------------------|-------------------------|--------------------|
| Fund balances at 30 September 2022 are represented by: | | | | | | |
| Tangible assets | 1,284 | - | 1,284 | 2,338 | - | 2,338 |
| Investments | 645,145 | - | 645,145 | 720,124 | - | 720,124 |
| Current assets/(liabilities) | 75,482 | 26,320 | 101,802 | 70,271 | 29,233 | 99,504 |
| | <u>721,911</u> | <u>26,320</u> | <u>748,231</u> | <u>792,733</u> | <u>29,233</u> | <u>821,966</u> |

23 Related party transactions

There were no disclosable related party transactions during the year (2021 - none).