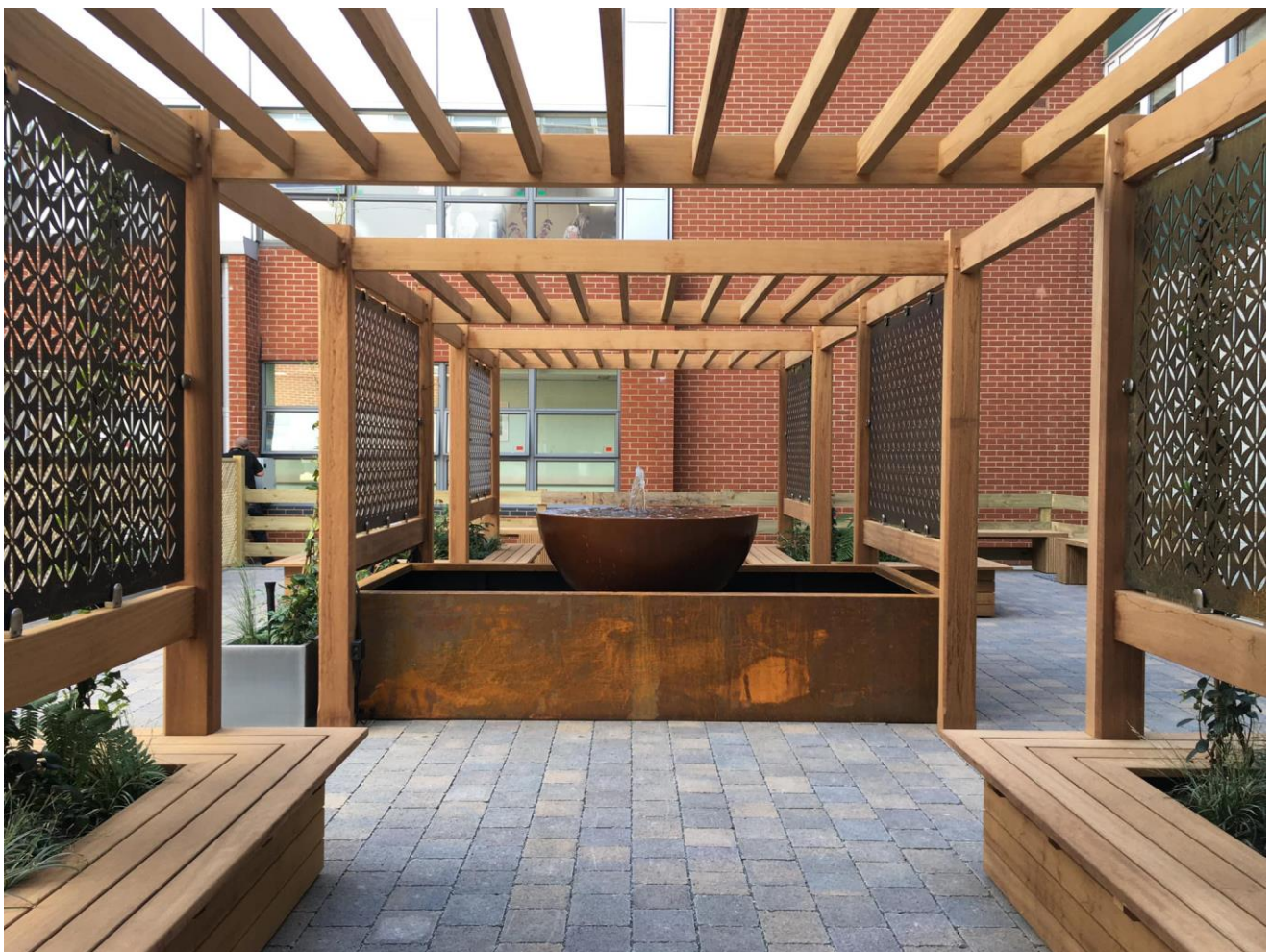




Registered Charity Number: 1051748

Medway NHS Foundation Trust Charitable Fund Annual Report and Accounts 2021/22



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Registered Charity Number: 1051748

Get in touch



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Donna Law
Charity and Fundraising Manager

Foreword from the Chair of the Charitable Funds Committee



I would like to express a heartfelt thank you to each and every one of you who has chosen to support The Medway Hospital Charity.

Medway Hospital Charity and The Medway League of Friends.

Your donations, big or small, all add up to make a massive difference to everyone at Medway Maritime Hospital.

Due to your continued support, we have been able to part-fund first-class facilities for both patients and staff and I would like to highlight three important wellbeing spaces.

As part of our commitment to equality and inclusion for all, Medway NHS Foundation Trust, with support from The Medway Hospital Charity, opened a Changing Places toilet for people with significant learning and physical disabilities - making it the first acute Trust in Kent and Medway to offer the facility.



Changing Places toilets, which are larger than a standard wheelchair accessible toilet, are specially equipped to ensure those who are unable to use a toilet independently, can use the bathroom hygienically and with dignity.

A much-appreciated outdoor space for people to remember, reflect and rejuvenate has opened outside the cafeteria.

The fully blocked-paved Reflection Garden, which has pergolas, raised beds, privacy screens, seating, plus a stunning water feature was made possible thanks to funding from Medway NHS Foundation Trust, The



The Charity received grant funding of £49,500 from NHS Charities Together to purchase equipment for The Medway Fitness Hub. On behalf of colleagues, who use the staff gym, I would like to say thank you for your support.

The Changing Places facility, Reflection Garden and staff gym are important additions to our hospital, enhancing the mental and physical wellbeing of those who use them.

To end my foreword, I would like to thank my fellow committee members for their ongoing commitment to improve facilities at Medway Maritime Hospital.

In particular, I would like to express my gratitude to Ewan Carmichael, the outgoing Chair of the Charitable Funds Committee, for his service and impactful stewardship of our NHS charity. I look forward to continuing this important work.

A handwritten signature in black ink, appearing to read 'Annyes Laheurte'.

Kind regards,
Annyes Laheurte

Thank you for your support

As ever, we are indebted to you, our supporters, for your generous donations to our hospital charity. Without your financial gifts, we could not have the impact that we do.

We are always looking at new ways to raise more money and this financial year we were delighted to become a partner of **make a smile lottery**.



Players are able to sign up online or in the hospital's main reception

This is a win-win for all as The Medway Hospital Charity receives a regular income to support Medway Maritime Hospital, and players have a chance of winning a weekly cash prize.

Thank you to everyone who has signed up. We know it's a challenging time financially and we really do appreciate your support.

This financial year we were delighted to support buddy chairs for our end-of-life team. These chairs fold into a bed, so that relatives can stay with their loved-ones during their final days.



We also helped fund a piece of equipment to

support pre-term babies and their parents. The LifeStart machine supports optimal umbilical cord management, by the bedside, meaning midwives no longer need to take a baby to a separate area of the delivery room to assess them, when they are born early.



Cancer patients who use the external Galton Day Unit entrance now have protection from the elements –

be that rain or shine – thanks to this charity-funded canopy.

Staff on the unit also requested laptop trolleys to allow them to work in the same area they are caring for patients. We were delighted to support this request.



Thank you to NHS Charities Together for awarding us a £49,500 grant to purchase equipment for The Medway Fitness Hub, our staff gym.



Officers and Professional Advisers

Trustee:

Medway NHS Foundation Trust is the Corporate Trustee of Medway NHS Foundation Trust Charitable Fund (working name The Medway Hospital Charity) governed by the law applicable to Trusts, principally the Trustee Act 2000 and the Charities Act 2011.

The NHS Foundation Trust Board devolved responsibility for the day-to-day financial management and accounting for the Charitable Funds to the Charitable Funds Committee on behalf of the Corporate Trustee.

Principal officers – key management personnel:

Dr George Findlay – Chief Executive (from 1 May 2021 to 30 May 2022)

Jayne Black – Chief Executive (from 1 June 2022)

Alan Davies – Chief Financial Officer

Glynis Alexander – Director of Communications and Engagement, Lead Director for the Charity

Principal professional advisers:

Bankers

Government Banking Service
1 Ruskin Square
Croydon
CR0 2WF

Lloyds Banking Group
3rd Floor
25 Gresham Street
London
EC2V 7HN

Solicitors

Sintons LLP
The Cube
Barrack Road
Newcastle upon Tyne
NE4 6DB

Independent Examiner

Grant Thornton UK LLP
110 Bishopsgate
London
EC2N 4NY

Investment Fund Managers

Investec Wealth and Investment Limited
30 Gresham Street
London
EC2V 7QN

Principal Office

Medway NHS Foundation Trust
Medway Hospital
Windmill Road
Gillingham
ME7 5NY

Corporate Trustee's Annual Report for Medway NHS Foundation Trust Charitable Fund for the Year Ended 31 March 2022

The Corporate Trustee presents the Charitable Fund annual report together with the financial statements for the year ended 31 March 2022.

The Charity's annual report and accounts for the year ended 31 March 2022 have been prepared by the Corporate Trustee in accordance with Part 8 of the Charities Act 2011 and the Charities (Accounts and Reports) Regulations 2008, the Charities Statement of Recommended Practice (SORP) 2019 and the provisions of the Trust deed.

The voting members of the NHS Foundation Trust Board who served as Trustees during the financial year were:

Joanne Palmer	Non-Executive Director and Trust Chair
Mark Spragg	Non-Executive Director, Deputy Chair and Senior Independent Director
Ewan Carmichael	Non-Executive Director and Chair of the Charitable Funds Committee
Adrian Ward	Non-Executive Director
Sue Mackenzie	Non-Executive Director
Tony Ullman	Non-Executive Director
Annyes Laheurte	Non-Executive Director
James Devine	Chief Executive (to 30 April 2021)
Dr George Findlay	Chief Executive (from 1 May 2021)
Gurjit Mahil	Deputy Chief Executive
Alan Davies	Chief Financial Officer
Jane Murkin	Chief Nursing Officer (to 4 October 2021)
Evonne Hunt	Chief Nursing Officer (from 25 October 2021)
David Sulch	Chief Medical Officer (to 30 November 2021)
Alison Davis	Chief Medical Officer (from 10 January 2022)
Leon Hinton	Chief People Officer

Changes since 31 March 2022:

Gurjit Mahil	Deputy Chief Executive (to 1 April 2022)
Dr George Findlay	Chief Executive (to 30 May 2022)
Jayne Black	Chief Operating Officer (from 1 April 2022 to 31 May 2022)
Dr George Findlay	Chief Executive (to 30 May 2022)
Jayne Black	Chief Executive (from 1 June 2022)
Paula Tinniswood	Chief Strategy and Transformation Officer (from 1 April 2022 to 31 October 2022)
Mandy Woodley	Interim Chief Operating Officer (from 16 June 2022 to 6 January 2023)
Gavin MacDonald	Interim Chief Operating Officer (from 11 January 2023)
Tony Ullman	Non-Executive Director (to 11 August 2022)
Ewan Carmichael	Non-Executive Director (to 31 August 2022)
Paulette Lewis	Non-Executive Director (from 01 November 2022)

Annyes Laheurte

Interim Chair of Charitable Funds Committee (from 15 September 2022)

The Charitable Fund is registered with the Charity Commission (no. 1051748) in accordance with the Charities Act 2011.

Reference and Administrative details

Medway NHS Foundation Trust Charitable Fund, registered Charity Number 1051748, was entered on the Central Register of Charities on 4 January 1996.

The charity is constituted of 58 individual sub funds as at 31 March 2022, compared to 59 as at March 2021.

The notes to the accounts distinguish the types of fund held and disclose separately all significant funds.

The Charity's parent company is Medway NHS Foundation Trust. The Trust is a public benefit corporation authorised under the National Health Service Act 2006.

The Trust's principal purposes and activities are to provide clinical services to almost half a million patients in the Medway and Swale areas of South East England.

Charitable funds received by the charity are accepted, held and administered as 'funds and property held on trust for purposes relating to the health service in accordance with the National Health Service Act 2006' and these funds are held on trust by the corporate body.

Structure, Governance and Management

The Charity was established using the model declaration of trust and all funds held on trust as at the date of registration were either part of this as unrestricted funds or registered as separate restricted funds under the main Charity.

Subsequent donations and gifts received by the Charity that are attributable to the original

funds are added to those fund balances in accordance with the wishes of the donor.

The Corporate Trustee fulfils its legal duty by ensuring that funds are spent in accordance with the objects of each fund and by designating funds the Trustee respects the wishes of generous donors to benefit patient care and advance the good health and wellbeing of patients, carers and staff.

For funds that are received which have specific restrictions set by the donor, a restricted fund has been established.

Non-Executive Members of the Trust Board are appointed by the Board of Governors, made up of elected public governors, staff governors and partner governors from our local community.

Executive Members of the Board are subject to recruitment by the NHS Foundation Trust. Members of the Trust Board are not individual Trustees under Charity Law but act as agents on behalf of the Corporate Trustee.

The accounting records and the day-to-day administration of the funds are dealt with by the finance department and fundraising team located at Medway Maritime Hospital, Windmill Road, Gillingham, Kent, ME7 5NY.

Partnership Working and Networks

The patients and staff of Medway NHS Foundation Trust are the main beneficiaries of funds from the Charity.

Medway NHS Foundation Trust is a related party by virtue of being Corporate Trustee of the Charity. By working in partnership with the Trust, the Charitable Fund is used to best effect.

When deciding upon the most beneficial way to use the Charitable Fund, the Corporate Trustee has regard to the main objectives, strategies and activities of the Trust.

Objectives and Strategy

The objects established within the governing document relate both to the duties of the Corporate Trustee and the aims of the Charity and are as follows:

“The Trustees shall hold the trust fund upon trust to apply the income, and at their discretion, so far as may be permissible, the capital for any charitable purpose or purposes relating to the National Health Service.”

The Trustee confirms that it has referred to the advice contained in the Charity Commission’s general guidance on public benefit when reviewing the aims and objectives and in planning future activities and setting the grant making policy for the year.

Annual Review: Our Activities

During the year, charitable funds continued to support a wide range of medical and wellbeing-related activities benefiting both patients and staff.

The charitable activities, as detailed in the Statement of Financial Activities (and notes), included the purchase of equipment, staff welfare support and other expenditure directly supporting hospital projects.

In general, funds are used to purchase varied goods and services to support Medway NHS Foundation Trust projects, that fall outside of its NHS budget.

Individual funds receive donations, specifically given to thank staff. These are used to fund ward improvements, enhance patient and staff wellbeing and enable clinicians to attend courses, not funded by the NHS or other sources, which will update them on new ideas or modern techniques within their specialties.

Application of the Charity Commission Code of Governance

We are fully committed to spirit of the code as well as its practical application.

The code articulates seven principles and underlying the principles is the foundation of the Trustee role combined with the charity context.

The context is one of pressure, in which the Trust is working hard to improve quality against a background of historical overspend. It is succeeding, but Trust Board time is dominated by these issues. Consequently, we must continually seek to improve the balance of Trust Board time spent as the Corporate Trustee.

The seven principles are:

Organisational Purpose: We seek to be true to the purpose of the Charity and its values, using its limited resources appropriately

The Charitable Funds Committee (CFC) continues to refer back to the Charity Objects, and scrutinises bids for spending through two main filters: who are the main beneficiaries, and how would this application be perceived by our donors - generally the man or woman in the street?

As part of this continuing self-check, we have struck a balance in which the administration of the charity is partially self-funded rather than drawing fully on the Trust which is working hard to clear its debts.

Leadership: Setting on record the documents which demonstrate leadership is a work in progress. The charity has its Objects and the CFC has its Terms of Reference. We review these and all associated charity policies and procedures on a rolling basis.

Integrity: Integrity, linked to openness and accountability, have to be the bedrocks of our charitable work. The Corporate Trustee and its

Charitable Funds Committee members are required to be fit and proper persons.

Decision-making, Risk and Control:

Delegations within the charity are clear, and there are feedback loops to ensure scrutiny at the appropriate levels.

The biggest practical consideration is the appropriateness of spending in a context of the Trust reducing waste and gripping its own expenditure.

Every spending bid is considered against the question of whether this is something which the Trust ought more appropriately to pay for.

We have continued to improve our control of Delegated Funds, seeking clarity on precisely who benefits.

Board Effectiveness: In terms of this topic, we recognise that this applies both to the Corporate Trustee and to the CFC.

Members receive a general induction, and have access to a collection of governing documents. We also seek opportunities for continuing training.

Balancing the relative amount of time spent on charity matters by Trust Board members, as the Corporate Trustee, against that of the CFC is challenging but is improving.

Our CFC has a good broad covering of skills and we partner informally with other health charities in the region, sharing ideas and benchmarking.

Diversity: We recognise that increasing diversity can make both the Trust Board and the CFC more effective.

We have no barriers in terms of gender or ethnicity, and Governor representation is intended to provide the view of our beneficiaries and donors (the man or woman in our community).

Non-executive members bring a wider view, experience and skill-sets. In the healthcare

field, we have taken account of clinician expertise and opinion by including representation from the Trust's Clinical Council.

Openness and Accountability: As stated earlier, openness and accountability are closely linked to integrity. We welcome Governor involvement and scrutiny.

Grant Making Policy

Grants can be made from either restricted, unrestricted or designated funds.

Restricted funds are funds used in accordance with specific, legally-binding restrictions imposed by the donor.

Unrestricted, or designated funds, usually contain donations where a particular part of the hospital or activity was nominated by the donor at the time their gift was made.

While their nomination is not binding on the Trustee, designated funds may reflect these nominations.

Both types of fund are overseen by fundholders who can make grants within their designated area, providing they are within the objectives of the fund and thereby advance public benefit and the wishes of the donor.

Applications are reviewed and approved by the Charity and Fundraising Manager, Chief Executive and Chair of the Charitable Funds Committee or the Charitable Funds Committee.

Reserves Policy

For this purpose, the term 'reserves' refers to the resources the Charity has or can make available to spend for any or all of the Charity's purposes once it has met planned commitments or other expenditure.

Our policy on reserves have been, wherever possible, to maintain capital investments at existing levels and to spend only the additional income received.

However, during the past few years, spending has accelerated beyond income to meet the needs of patients and staff within Medway NHS Foundation Trust.

As disclosed in the Statement of Financial Activities, in net income before investment realised gains, there has been a £190,000 deficit over expenditure.

The spend was agreed by the Charitable Funds Committee and primarily relates to funding projects such as the Changing Places facility, Reflection Garden and equipment for the Medway Fitness Hub, our staff gym.

This is still considered to be compliant with the reserves policy.

Our Future Plans

There have been changes recently, both locally for the Foundation Trust and more widely within the health sector. The future direction of the Charity continues to be shaped by these external factors.

It is a particularly challenging time for the third sector in the current cost of living crisis.

The reconfiguration of services and the plans for redesigning patient care to meet the needs of the future will influence the future priorities for spending funds.

A Review of our Finances, Achievements and Performance

The net assets of the Charitable Fund as at 31 March 2022 were £1,243,000 (2021: £1,412,000). Overall, there was a reduction in the value of net assets, due to a deficit in income over expenditure of £168,000.

The Charity continues to rely on donations, fundraising, investments and legacies as the main sources of income.

Total incoming resources (excluding non-cash donations) were £70,000 less than in 2020/21.

The Charity did not receive any material non-cash donations in 2021/22 (£100,000 of non-cash donations received in 2020/21).

Total Expenditure (excluding non-cash donations) decreased by £288,000 from 2020/21. That was a high-spending financial year with the Charity purchasing a significant piece of simulation equipment from an orthopaedic legacy. It also provided significant wellbeing support for staff during the COVID-19 pandemic.

Expenditure on direct charitable activity of £473,000 (2020/21: £763,000) represents 97 per cent of total expenditure of £486,000. (2020/21: 99 per cent of total expenditure of £774,000)

Performance management

The Charity contributed £58,000 (£37,000 2020/21) this year towards fundraising and finance salaries, with Medway NHS Foundation Trust funding the balance. This £58,000 includes a management fee paid to The Medway Hospital Charity by NHS Charities Together for leading its Stage 2 Community Partnership programme for the Kent and Medway region.

To simplify the approval process, the charity relies on the Charity and Fundraising Manager to identify the appropriateness of funding requests and to adhere to the approved scheme of delegation.

Investments

In 2021/22, the Corporate Trustee invested its funds with Investec Wealth and Investment Limited.

Investments and an element of cash holding not required for day-to-day use, are managed by Investec Wealth and Investment Limited.

Any exceptional income, such as donations or legacies of more than £50,000, are considered for long-term investment, dependent upon market conditions and expenditure plans.

The portfolio of investments recorded a gain of £22,000 this financial year (2020/2021):

£103,000 gain). The charity also received £32,000 (2020/2021: £32,000) of income from investments and bank deposits.

Going Concern

The charity's activities, results and future plans are disclosed in the Trustee's annual report. The Trustee has assessed the balance sheet and likely future cash flows of the charity at the date of approving the financial statements.

Although in 2021/22 donations to our charity slowed, reserves have been maintained. Income from donations is lower but stable and expenditure is discretionary, therefore the Corporate Trustee believes that there are no material uncertainties that call into doubt the Charity's ability to continue in operation and believes the Charity is well placed to manage its business risks successfully. In addition to ongoing donations, The Medway Hospital Charity also secured £132,159 in grants from NHS Charities Together (NHSCT). £49,500 was awarded to pay for gym equipment for The Medway Fitness Hub; £2,500 to buy Christmas gifts for young patients and a further £80,159 was received to pay The Medway Hospital Charity for setting up and managing NHSCTs Kent and Medway regional Community Partnerships programme, due to start in the 2022/23 financial year.

The charity sector is still recovering from the impact of the COVID-19 pandemic, which had a negative impact on the ability to generate income through face-to-face fundraising.

Face-to-face fundraising post-pandemic has not recovered to the levels before COVID-19.

Donations during the last quarter of 2021/22 donations were also impacted by the Russian invasion of Ukraine, rising energy prices and high inflation.

Despite these challenges, the Trustee is confident the charity has adequate resources to continue in operational existence for the foreseeable future.

Thus, the Trustee continues to adopt the going concern basis of accounting in preparing the annual financial statements.

A Big Thank You

On behalf of the staff and patients who have benefited from improved services due to donations and grants, the Corporate Trustee would like to thank all patients, relatives and staff who have made charitable donations.



The Mayor of Medway, Cllr Jan Aldous, joined Chief Executive, Dr George Findlay and representatives from The Medway League of Friends, The Medway Hospital Charity and contractors Drakemoor to open the Reflection Garden in Purple Zone, Level One.

Provision of information to the Independent Examiner

Each of the persons who are agents of the Corporate Trustee at the time when this Trustee's report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant information of which the charitable company's Independent Examiner is unaware, and
- that the Corporate Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the charitable company's Independent Examiner in connection with preparing its report and to establish that the charitable company's independent examiner is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

Approved on behalf of the Corporate Trustee on 17 January 2023 and signed on its behalf by:



Jayne Black
Chief Executive
Medway NHS Foundation Trust



Joanne Palmer
Chair
Medway NHS Foundation Trust

Statement of Corporate Trustee Responsibilities

The Corporate Trustee is responsible for preparing the Trustee's Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

The law applicable to charities in England requires the Trustee 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 Trustee is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustee is 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 trust deed.

It is 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.

Independent examiner's report to the corporate trustee of Medway NHS Foundation Trust Charitable Fund

I report on the accounts of Medway NHS Foundation Trust Charitable Fund (the "Charity") for the year ended 31 March 2022, which are set out on pages 17 to 28.

Independent examiner's statement

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

- which gives me reasonable cause to believe that in any material respect, the requirements:
 - to keep accounting records in accordance with section 130 of the Charities Act 2011;
 - to prepare accounts which accord with the accounting records; and
 - to comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008

have not been met, or

- to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Basis of independent examiner's statement

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

Respective responsibilities of corporate trustee and examiner

The charity's corporate trustee is responsible for the preparation of the accounts. The charity's trustee considers that an audit is not required for this year under section 144(2) of the Charities Act 2011 and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of Chartered Institute of Public Finance.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act 2011;

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

Your attention is drawn to the fact that the charity's trustees have prepared the charity's accounts in accordance with the Statement of Recommended Practice '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) issued in October 2019 in preference to the Statement of Recommended Practice 'Accounting and Reporting by Charities: Statement of Recommended Practice (revised 2005)' issued in April 2005 which is referred to in the Charities (Accounts and Reports) Regulations 2008 but has been withdrawn. I understand that the charity's trustee has done this in order for the charity's accounts to give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2019.

Use of this report

This report is in respect of an examination carried out under section 145 of the Charities Act 2011. This report is made solely to the charity's corporate trustee, as a body, in accordance with the regulations made under section 154 of the Charities Act 2011. My work has been undertaken so that I might state to the charity's trustee those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustee as a body, for my work, for this report, or for the opinions I have formed.

Darren Wells

Darren Wells, CPFA
Grant Thornton UK LLP
Chartered Accountants,
London

19th January 2023

Medway NHS Foundation Trust Charitable Fund - Statement of Financial Activities for the Year Ended 31 March 2022

	Note	Restricted Funds	Unrestricted Funds	2021/22 Total Funds £000	2020/21 Total Funds Restated £000
Income from					
Donations	3	0	132	132	165
Donations (non-cash)	3	0	0	0	100
Grants (from NHS Charities Together)	7	80	52	132	169
Investments	4	0	32	32	32
Total Income		80	216	296	466
Expenditure on					
Raising Funds	5	0	12	12	11
Charitable Activities	6	39	436	474	763
Total expenditure		39	448	486	774
Net income / (loss) before investment gains / losses		41	(232)	(190)	(308)
Other recognised gains / (losses): Realised and unrealised gains on investment assets	10	(1)	23	22	103
Net income / (loss) for the year		40	(209)	(168)	(205)
Gross transfers between funds		(3)	3	0	0
Net movement in funds		37	(206)	(168)	(205)
Reconciliation of Funds Total					
Funds brought forward at 1 April		47	1,365	1,412	1,617
Total Funds carried forward at 31 March		84	1,159	1,243	1,412

There were no other recognised gains or losses other than those listed above and the net loss for the year. All income and expenditure derives from continuing activities.

Medway NHS Foundation Trust Charitable Fund - Balance Sheet for the year ended 31 March 2022

	Note	Restricted Funds	Unrestricted Funds	2021/22 Total Funds £000	2020/21 Total Funds £000
Fixed assets:					
Investments	10	19	1,231	1,250	1,241
Total Fixed Assets		19	1,231	1,250	1,241
Current Assets:					
Debtors	11	0	4	4	8
Cash at bank and in hand	12	8	110	118	208
Total Current Assets		8	114	122	216
Current liabilities:					
Creditors: Amounts falling due in 1 year	13	18	111	129	45
Total Current Liabilities		18	111	129	45
Net assets		9	1,234	1,243	1,412
The Funds of the Charity:					
Restricted funds	14	84	0	84	47
Unrestricted funds	14	0	1,159	1,159	1,365
Total Charity funds		84	1,159	1,243	1,412

The financial statements of Medway NHS Foundation Trust Charitable Fund registered number 1051748 were approved and authorised for issue by the Corporate Trustee on 17 January 2023 and have been signed on its behalf by:



Jayne Black
Chief Executive
Medway NHS Foundation Trust



Joanne Palmer
Chair
Medway NHS Foundation Trust

Medway NHS Foundation Trust Charitable Fund - Cash Flow Statement for the year ended 31 March 2022

	Note	2021/22 Total Funds £000	2020/21 Total Funds £000
Cash flows from operating from operating activities			
Net cash from operating activities	16	(134)	(307)
Cash flows from investing activities			
Dividends and interest from investments	4	32	32
Disposal/(Purchase) of investments	10	12	(190)
Net cash provided by investing activities		44	(158)
Change in cash and cash equivalents in the year		(90)	(465)
Cash and cash equivalents at the beginning of the year		208	673
Cash and cash equivalents at the end of the year	12	118	208

Notes on the accounts

1. Accounting Policies

a.) **Basis of accounting**

The financial statements have been prepared under the historical cost convention, in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities (SORP 2019)" 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; and the Charities Act 2011. 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 pound (£'000).

b.) **Preparation of financial statements – going concern basis**

The accounts have been prepared on the going concern basis which assumes the Charity will continue for the foreseeable future. As reserves have been maintained, income from donations is stable and expenditure is discretionary, the Corporate Trustee believes that there are no material uncertainties that call into doubt the Charity's ability to continue in operation.

c.) **Funds structure**

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor. Unrestricted funds are those funds which are given to the charity (whether solicited or unsolicited) without any restrictions imposed by the particular donor. Designated funds are funds set up to support a specific speciality. Donors can request their money goes into a designated fund to support an area of their choice, for example critical care.

d.) **Incoming resources**

All incoming resources are recognised once the Charity has entitlement to the resources, it is probable that the resources will be received and the monetary value of incoming resources can be measured with sufficient reliability.

e.) **Resources expended**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:
Expenditure on raising funds includes the costs incurred in generating fundraising income and the costs associated with making the investments.

Costs of charitable activities comprise all costs incurred in the pursuit of the charitable objectives of the Charity.

Expenditure on charitable activities includes:

- Grant support given to Medway NHS Foundation Trust.
- Direct costs of delivering grants and services.
- Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include salaries recharged to the charity by the NHS Foundation Trust and independent examiner fees. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated are set out in Note 8.

Costs associated with purchasing new equipment:

- Any equipment deemed a fixed asset in nature is included in purchase of new equipment as it is donated to Medway NHS Foundation Trust, and therefore not recorded as a fixed asset within the Charity's accounts.

Grant commitments are recognised when a constructive obligation arises that result in payment being unavoidable. Grants are only made to related or third party NHS bodies and non NHS bodies in furtherance of the charitable objects of the funds.

A liability for such grants is recognised when approval has been given by the Trustee. The NHS Foundation Trust has full knowledge of the plans of the Trustee, therefore a grant approval is taken to constitute a firm intention of payment which has been communicated to the NHS Foundation Trust, and so a liability is recognised.

Contractual arrangements are recognised as goods or services supplied.

f.) Irrecoverable VAT

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

g.) Allocation of overhead and support costs

Overhead and support costs have been allocated as a direct cost or apportioned on an appropriate basis between charitable activities and governance costs.

h.) Costs of generating funds

The costs of generating funds are the Investec Wealth & Investment Limited management fees.

i.) Fixed asset investments

Investments are stated at market value as at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

j.) Realised / Unrealised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and opening market value (purchase date if later). Unrealised gains and losses are calculated as the difference between the market value at the year end and opening market value (or purchase date if later).

k.) Staff costs

In this financial year, a total of £58,000 was paid in wages for financial and charity management costs, with the balance funded by Medway NHS Foundation Trust. The £58,000 includes a management fee paid to The Medway Hospital Charity by NHS Charities Together for leading its Stage 2 Community Partnership programme for the Kent and Medway region. A one-off grant payment of £80,000 was received this financial year to cover all costs associated with this multi-year grant programme.

l.) Taxation

The Charity takes advantage of certain exemptions from taxation on income and gains, to the extent that they are applied for charitable purposes.

m.) Debtors and Creditors

As per the Trust's Standing Financial Instructions, the debtor, creditor and financial instrument accounting policies in place for the Trust are also used for the charity. All financial instruments are subject to impairment review on an annual basis.

2. Critical Accounting, Judgements and Key Sources of Estimation Uncertainty

In the application of the Charity's accounting policies, which are described in note 1, the Corporate Trustee is required to make judgements, estimates and assumptions about the carrying amounts 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 if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The Trustee does not consider there are any critical judgements or sources of estimation uncertainty requiring disclosure beyond the accounting policies listed above.

3. Analysis of income from donation, legacies and non-cash donations

Donations	2021/22 £000	2020/21 £000
Donations - £0 - £1,000	54	45
Donations - £1,001 - £10,000	67	52
Donations - £10,000 +	11	237
Total	132	334

In 2021/22, The Medway Hospital Charity did not receive any material non-cash donations (2020/21: £100,000 in non-cash gifts were donated to staff during the pandemic). We received grants of more than £132,000 in grants from NHS Charities Together. In 2020/21 we reported donations of £334,000. In the 2021/22 Annual Report and Accounts, we have reclassified the previous financial year's donations as follows: £169,000 Grants (from NHS Charities Together) and £165,000 in donations.

Donations Non-cash	2021/22 £000	2020/21 £000
Donations £0 - £1,000	0	21
Donations - £1,001 - £10,000	0	28
Donations - £10,000 +	0	51
Total	0	100

4. Analysis of income from investments

	2021/22 £000	2020/21 £000
Income from Investment Portfolio	32	32
Total	32	32

5. Analysis of expenditure on raising funds

	2021/22 £000	2020/21 £000
Investment management costs	12	10
Bank Charges	0	1
Total	12	11

6. Analysis of charitable expenditure

All of the resources expended by the Charity were in the form of grants to Medway NHS Foundation Trust in support of a range of charitable activities.

	2021/22 £000	2020/21 £000
Purchase of New Equipment	141	369
Research and Development	0	30
Staff Welfare	100	128
Patient Welfare	79	61
Other Contributions to Medway NHS Foundation Trust	92	144
Governance costs (see note 8)	62	31
Total	474	763

7. Analysis of grants

All grants are made to Medway NHS Foundation Trust. The Corporate Trustee operates a scheme of delegation. All grant-funded activity and the disbursement of funds is managed by the Charity and Fundraising Manager.

This is in accordance with the directions set out by the Trustee in charity Standing Orders and Financial Instructions. The total cost of grant-making is disclosed in the activity analysis on the face of the Statement of Financial Activities.

In 2020/21 we reported donations of £334,000. In the 2021/22 Annual Report and Accounts we have reclassified the previous financial year's donations as follows: £169,000 Grants (from NHS Charities Together) and £165,000 in donations.

In 2021/22 The Medway Hospital Charity became Lead Charity for the NHS Charities Together Stage Two Community Partnership programme and will act as agent for these funds, disbursing them to successful grant applicants in the 2022/23 financial year. This grant money will not form part of The Medway Hospital Charity's income.

8. Allocation of support costs and overheads.

Once allocation and/ or apportionment of overhead and support costs has been made between Charitable Activities and Governance Costs, the cost attributable to Charitable Activities is apportioned across those activities in proportion to total spend.

Allocation and apportionment to Governance Costs	2021/22 Total £000	Allocated to Governance £000	Residual for apportionment £000	2020/21 Total £000
Management Services	43	43	0	22
Financial Services	16	16	0	16
Independent Examination Fee/Independent Audit Fee	3	3	0	3
Prior year over accrual	0	0	0	(10)
Total	62	62	0	31

Staff are employed by Medway NHS Foundation Trust. Where staff perform a service to the Charitable Fund an element of the salaries and related costs are recharged to the Charity. These costs are shown under 'Management Services' and 'Financial Services'.

In this financial year, a total of £58,000 was paid in wages for financial and charity management costs, with the balance funded by Medway NHS Foundation Trust. The £58,000 includes a management fee paid to The Medway Hospital Charity by NHS Charities Together for leading its Stage 2 Community Partnership programme for the Kent and Medway region. A one-off grant payment of £80,000 was received this financial year to cover all costs associated with this multi-year grant programme.

9. Independent Examiner's remuneration

The Independent Examiner's remuneration of £2,500+VAT (the VAT of which is irrecoverable) related solely to the independent examination of these financial statements with no other additional work undertaken (2020/21: £2,500+VAT).

10. Fixed asset investments

Movement in Fixed Asset Investment	2021/22 £000	2020/21 £000
Market value brought forward	1,241	948
Acquisitions at cost	0	200

Medway NHS Foundation Trust Charitable Fund - Year Ended 31 March 2022

Disposals	0	0
Fund adjustment for investment income and management fees	(12)	(10)
Add net (loss)/gain on revaluations	22	103
Market value as of 31 March	1,250	1,241
Book Cost	1,204	1,192
Fixed asset investments	31 March 2022	31 March 2021
	£000	£000
UK Invested Unit Trusts	1,250	1,241
Total	1,250	1,241

11. Analysis of current assets

Debtor receivable within 1 Year	31 March 2022	31 March 2021
	£000	£000
Accrued income	4	8
Total	4	8

12. Analysis of cash and deposits

	31 March 2022	31 March 2021
	£000	£000
Bank Account	118	208
Total	118	208

13. Analysis of current liabilities

Creditors payable within 1 year	31 March 2022	31 March 2021
	£000	£000
Accruals	39	45
Trade payables	90	0
Total	129	45

14. Analysis of charitable funds 2021/22

Analysis of Material fund	Balance at 1 April b/fwd £000	Income £000	Expenditure £000	Gains and (losses) £000	Transfers £000	Balance at 31 March c/fwd £000
Restricted						
NHS Charities Together	47	0	(26)	1	(4)	18
NHS CT Salary	0	80	(13)	(1)	1	66
Total Restricted Funds (2)	47	80	(39)	0	(3)	84
Unrestricted/Designated						
General Fund	345	162	(311)	7	0	203
Diabetes Centre	56	1	(3)	1	(1)	54
The Ralph Barrett Legacy	543	0	(57)	8	(4)	490
Medway Cancer Unit	132	20	(31)	2	0	123
Breast Care	2	0	0	0	2	4
Neonatal Fund	24	0	(2)	0	1	23
Dolphin & Panda Ward General	24	11	(10)	0	0	25
Critical Care	31	9	(4)	0	(1)	35
Haematology Research	20	0	(1)	1	(3)	17
Staff/COVID-19	16	2	(7)	0	10	21
Others Unrestricted (46 Funds)	172	11	(21)	3	(1)	164
Total Unrestricted Funds (56)	1,365	216	(448)	23	3	1,159
Grand Total (58)	1,412	296	(486)	22	0	1,243

Analysis of charitable funds 2020/21

Analysis of Material fund	Balance at 1 April b/fwd £000	Income £000	Expenditure £000	Gains and (losses) £000	Transfers £000	Balance at 31 March c/fwd £000
Restricted						
Eva May Cancer	14	0	(15)	1	0	0
Foley Legacy (Heart Treatment)	4	0	(4)	0	0	0
NHS Charities Together	0	50	(103)	0	100	47
Total Restricted Funds (2)	18	50	(122)	(0)	100	

Medway NHS Foundation Trust Charitable Fund - Year Ended 31 March 2022

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Unrestricted/Designated

General Fund	277	196	(148)	18	2	345
Diabetes Centre (previously Peter Simons)	35	0	(1)	2	20	56
Medway Diabetes Research	29	0	(11)	2	(20)	0
Ralph Barrett Legacy	851	0	(362)	54	0	543
Medway Cancer Unit	119	24	(19)	8	0	132
Breast Care	32	0	(32)	2	0	2
Neonatal Fund	30	0	(8)	2	0	24
Dolphin & Panda Ward General	22	8	(7)	1	0	24
Critical Care	20	13	(3)	1	0	31
Haematology Research	20	0	(4)	1	0	20
Staff / COVID 19	0	163	(47)	0	(100)	16
Other Unrestricted (46 Funds)	165	12	(10)	11	(2)	174
Total Unrestricted Designated Funds (57 Funds)	1,599	416	(641)	102	100	1,365
Grand Total (59 Funds)	1,617	466	(763)	103	(0)	1,412

Other Unrestricted Funds

The other unrestricted funds have been grouped together for presentational purposes and these funds hold donations made to various departments within the hospital. They all have a closing balance of less than £20,000. The funds below had a closing balance of more than £20,000 as of Year Ended 2021/22.

Name of Fund	Description, nature and purpose of the fund
The Ralph Barrett Legacy	Ralph Barrett left a legacy of almost £1 million, with a wish that it go to our orthopaedics department.
General Fund	The General Fund holds all general and unrestricted donations for all areas of the charitable activities.
Medway Cancer Unit	The Medway Cancer Unit is made up of donations to Lawrence Ward and Galton Day Unit.
Diabetes Fund	Contributions to diabetic patient care and relevant education at Medway Maritime Hospital.
NHS Charities Together (salary)	Grant from NHS Charities Together as payment for managing its regional Stage 2 Community Partnerships Programme.
Critical Care	This fund is made up of donations to our intensive care unit, medical high dependency unit and high dependency unit.

Neonatal Fund	Contributions to neonatal care and relevant research at Medway Maritime Hospital.
Staff/COVID-19	This fund was created to support staff wellbeing the COVID-19 pandemic.
Dolphin and Panda Ward	Contributions to support our Children's ward.

15. Related party transactions

Medway NHS Foundation Trust is the major beneficiary of the Charity and received grants and contributions of £473,000 (2020/21 £763,000) during the year. Medway NHS Foundation Trust recharged £58,000 for costs of financial and charity management services provided to the charity in this financial year (2020/21 £37,000). The £58,000 includes a management fee paid to The Medway Hospital Charity by NHS Charities Together for leading its Stage 2 Community Partnership programme for the Kent and Medway region.

None of the members of Medway NHS Foundation Trust Board or senior NHS Foundation Trust staff or parties related to them were beneficiaries of the Charity. Neither the Corporate Trustee, nor any member of the NHS Foundation Trust Board, has received honoraria, emoluments or expenses in the year and the Trustee has not purchased Trustee indemnity insurance.

16. Reconciliation of net income / (expenditure) to net cash flow from operating activities

Movement in Net Cash from Operating Activities	31 March 2022	31 March 2021
	Total £000	2020/21 Total £000
Net income / (expenditure)	(168)	(205)
(Gains)/losses on investments	(22)	(103)
Dividends and interest on investments	(32)	(32)
Interest from bank deposits	0	0
Decrease / (Increase) in debtors	4	2
Increase / (Decrease) in creditors	84	30
Net cash provided by operating activities	(134)	(307)

17. Post balance sheet events

There were no post balance sheet events.