

LIVERPOOL UNIVERSITY HOSPITALS NHS CHARITABLE FUND

England & Wales · Charity number 1047988

Details

Other names	ROYAL LIVERPOOL AND BROADGREEN UNIVERSITY HOSPITALS NHS TRUST CHARITABLE FUNDS, University Hospitals of Liverpool (UHL) Charity
Status	Registered
Legal form	Other
Registered	1995-07-14
Register	View on the Charity Commission register

Contact

Address	Liverpool University Hospitals Royal Liverpool University Hospital Mount Vernon Street Liverpool L7 8YE
Phone	01517063142
Email	LUHCharity@liverpoolft.nhs.uk

Activities

Objects: FOR ANY CHARITABLE PURPOSE OR PURPOSES RELATING TO THE NATIONAL HEALTH SERVICE

Activities: To support high quality patient care, focusing on areas not fully supported by exchequer funds such as improvements to the Hospital environment and better facilities. As a large teaching hospital, the Trust also has links with the local universities, and another important aim of the charity is providing financial aid to support and encourage our clinicians in new research projects.

Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations, Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services, Sponsors Or Undertakes Research, Acts As An Umbrella Or Resource Body
- **What:** Education/training, The Advancement Of Health Or Saving Of Lives, Disability
- **Who:** Elderly/old People, People With Disabilities, Other Defined Groups, The General Public/mankind

Geography

- Cheshire East
- Cheshire West & Chester
- Knowsley
- Lancashire
- Liverpool City
- Sefton
- St Helens
- Wirral

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£937,073	£1,937,111	£5,614,082	0
2024-03-31	£1,323,255	£3,904,056	£6,542,379	0
2023-03-31	£2,795,037	£2,540,999	£8,452,080	0
2022-03-31	£1,286,761	£1,783,698	£8,541,377	0
2021-03-31	£1,693,509	£1,543,055	£8,328,260	0

Trustees

Name	Role	Appointed
ROYAL LIVERPOOL + BROADGREEN UNIVERSITY		

Linked charities

- ROYAL LIVERPOOL AND BROADGREEN UNIVERSITY HOSPITALS NHS TRUST GENERAL PURPOSE FUND (1047988-1)
- BROADGREEN HOSPITAL PATIENTS WELFARE FUND (1047988-10)
- ROYAL LIVERPOOL AND BROADGREEN UNIVERSITY HOSPITALS HISTOPATHOLOGY FUND (1047988-100)
- ROYAL LIVERPOOL AND BROADGREEN UNIVERSITY HOSPITALS NHS TRUST ADVANCED TRAUMA LIFE SUPPORT FUND (1047988-101)
- ROYAL LIVERPOOL UNIVERSITY HOSPITAL AUDIOLOGY FUND (1047988-102)
- ROYAL LIVERPOOL UNIVERSITY HOSPITAL STOMA NURSE TRAINING FUND (1047988-103)
- BROADGREEN HOSPITAL CARDIAC REHABILITATION FUND (1047988-104)
- LIVERPOOL UNIVERSITY DENTAL HOSPITAL SCHOOL OF DENTAL HYGIENE FUND (1047988-105)
- ROYAL LIVERPOOL AND BROADGREEN UNIVERSITY HOSPITALS NHS TRUST PRIZE FUND (1047988-106)
- ROYAL LIVERPOOL AND BROADGREEN HOSPITALS ELDERLY FUND (1047988-107)
- ROYAL LIVERPOOL UNIVERSITY HOSPITAL FORGET-ME-NOT APPEAL (1047988-108)
- THE ROYAL LIVERPOOL AND BROADGREEN UNIVERSITY HOSPITALS NHS TRUST COMMON INVESTMENT FUND (1047988-109)
- LIVERPOOL UNIVERSITY DENTAL HOSPITAL PATIENTS WELFARE FUND (1047988-11)
- THE FOUNDATION FOR THE PREVENTION OF BLINDNESS (1047988-110)
- ROYAL LIVERPOOL AND BROADGREEN UNIVERSITY HOSPITALS NHS TRUST INFECTIOUS DISEASE UNIT FUND (1047988-111)
- ROYAL LIVERPOOL AND BROADGREEN UNIVERSITY HOSPITALS NHS TRUST NORMAN GIBBON UROLOGY TRAVELLING SCHOLARSHIP (1047988-112)
- ROYAL LIVERPOOL UNIVERSITY HOSPITAL ST PAULS EYE UNIT PATIENTS WELFARE FUND (1047988-12)
- ROYAL LIVERPOOL UNIVERSITY HOSPITAL PATIENTS WELFARE FUND (1047988-13)
- BROADGREEN HOSPITAL ANAESTHETICS DIRECTORATE FUND (1047988-14)
- BROADGREEN HOSPITAL ACTIVITIES AND REHABILITATION UNIT FUND (1047988-15)
- ROYAL LIVERPOOL UNIVERSITY HOSPITAL VIROLOGY FUND (1047988-16)
- ROYAL LIVERPOOL UNIVERSITY HOSPITAL UROLOGY FUND (1047988-17)
- ROYAL LIVERPOOL UNIVERSITY HOSPITAL ST PAULS EYE UNIT SIGHT SAVER FUND (1047988-18)
- ROYAL LIVERPOOL UNIVERSITY HOSPITAL RHEUMATOLOGY FUND (1047988-19)
- BROADGREEN HOSPITAL GENERAL PURPOSE FUND (1047988-2)
- ROYAL LIVERPOOL UNIVERSITY HOSPITAL OPHTHALMOLOGY UNIT JUNIOR DOCTORS EDUCATION FUND (1047988-20)
- LIVERPOOL UNIVERSITY HOSPITAL RESPIRATORY RESEARCH FUND (1047988-21)

- LIVERPOOL UNIVERSITY HOSPITAL ST PAULS EYE UNIT RESEARCH INTO DISEASE OF THE EYE FUND (1047988-22)
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- ROYAL LIVERPOOL UNIVERSITY HOSPITAL RADIOLOGY FUND (1047988-26)
- ROYAL LIVERPOOL UNIVERSITY HOSPITAL FUND (1047988-27)
- ROYAL LIVERPOOL UNIVERSITY HOSPITAL PAIN RESEARCH FUND (1047988-28)
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LIVERPOOL UNIVERSITY HOSPITALS NHS CHARITABLE FUND

England & Wales - Charity number 1047988

Accounts



Liverpool
University
Hospitals
Charity

Liverpool University Hospitals NHS Charitable Fund

Registered Charity Number 1047988

ANNUAL REPORT & FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

**Royal Liverpool University Hospital
Prescot Street
Liverpool
L7 8XP**

Liverpool University Hospital NHS Charitable Fund

**ANNUAL REPORT
& FINANCIAL STATEMENTS 2024/2025**

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LIVERPOOL UNIVERSITY HOSPITALS NHS CHARITABLE FUND

Registered Charity No 1047988

ANNUAL ACCOUNTS 2024-25

The Trustee presents the accounts of the funds held on trust by the Liverpool University Hospitals NHS Foundation Trust.

FOREWORD

These financial statements have been prepared by the Trustee in accordance with the Charities Act 2011 and the Charities Statement of Recommended Practice (SORP) (FRS 102) 2019.

STATUTORY BACKGROUND

The NHS Trust is the corporate trustee of the funds held on trust under paragraph 16c of Schedule 2 of the NHS and Community Care Act 1990. Royal Liverpool and Broadgreen University Hospitals NHS Trust dissolved on the 30th September 2019, joining with Aintree University Hospital NHS Foundation Trust to become a combined organisation named Liverpool University Hospitals NHS Foundation Trust from 1st October 2019.

MAIN PURPOSE OF THE FUNDS HELD ON TRUST

The main purpose of the charitable funds held on trust is to apply income for any charitable purpose relating to the National Health Service wholly or mainly for the services provided by the Liverpool University Hospitals NHS Foundation Trust.

The Charity chiefly funds:

1. Improvements to the care environment and our patients' experience
2. Groundbreaking research and development, innovation or education projects
3. Innovative, state-of-the art equipment or systems that enhance NHS care
4. Projects to support the health and wellbeing of our staff and volunteers

LIVERPOOL UNIVERSITY HOSPITALS NHS CHARITABLE FUND

STATEMENT OF TRUSTEE'S RESPONSIBILITIES

The Trustee is responsible for preparing the Trustees' Annual report and the financial statements in accordance with applicable laws and regulations.

The Charities Act 2011 requires the trustee to prepare financial statements for each financial year. The trustee has to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. The trustee must not approve the financial statements unless it is satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period.



In preparing these financial statements, the Corporate Trustee is required to:

- select suitable accounting policies and 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 to operate.

The trustee is responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and 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. The Trustee confirms that it has met the responsibilities set out above and complied with the requirements for preparing the accounts. The financial statements set out on pages 15 to 33 attached have been compiled from and are in accordance with the financial records maintained by the Trustee.

The 2024/25 Annual Report & Accounts have been approved by the Trust Board, at a meeting held on 13th November 2025.

By Order of the Trustee

Signed: Signed by:

 Chair B4E9B3014E6C4811... DocuSigned by:.....

 Financial Trustee ...3200AA3FC46B4CF.....

04-Dec-2025
 Dated/...../.....
04-Dec-2025
 Dated/...../.....

CHARITABLE FUNDS

TRUSTEE REPORT

Introduction

It is with pleasure that the Trust presents the twenty-eighth annual report for the Charitable Funds of the Liverpool University Hospitals NHS Foundation Trust.

The Trust is the sole corporate trustee for all charitable funds registered under the name of the Liverpool University Hospitals NHS Charitable Fund, the **main** charity of the Trust.

The **main** charity is the charity that has been created with purposes wide enough for all other charities administered by its Trustee to be recorded as **special trusts** in an *umbrella* registration arrangement.

This report and financial statements have been prepared in accordance with the requirements of applicable law and SORP (FRS 102).

Legal and Administrative Details

In June 1995, the Charity Commission issued an Umbrella Charity Registration Number, under which all the individual charitable funds administered by the Trustee have been recorded as special trusts. The umbrella charitable fund is held upon trust for “any charitable purpose or purposes relating to the National Health Service”. Special trusts are funds (or property) held on separate trusts, on behalf of the charity, for any special purposes of that charity. These funds are referred to as restricted funds where the donor has imposed a restriction on how or where or when the Trustee can apply the funds. A schedule of the special trusts is appended (Appendix A).

The Liverpool University Hospitals NHS Foundation Trust is the Corporate Trustee of the Charitable Funds governed by the law applicable to Trusts, principally the Trustee Act 2000 and also the Charities Act 2011, the SORP (FRS 102) and the Trust Deed.

The **registered charity number** of the Liverpool University Hospitals NHS Charitable Fund is **1047988**. The Registered address is:

Royal Liverpool University Hospital
Prescot Street
Liverpool L7 8XP

The corporate trustee of Liverpool University Hospitals NHS Foundation Trust (“LUH”) also oversaw a second NHS charity, The Aintree University Hospital Charitable Fund (“AUH”), charity registration number 1050542, but this was closed in March 2024.

The charity is administered by the **Charitable Funds Committee**, which consists of executive and non-executive directors of the Trust, on behalf of the Trust Board. The committee meets quarterly to set and monitor administrative policy and consider grant applications. Membership of the Charitable Funds committee is decided by the Trust Board as vacancies arise. Executive members of the Trust Board are subject to recruitment by the Board whereas Non-Executive members are appointed by NHS England. Members of the Trust Board and the Charitable Funds Committee are not individual trustees under Charity Law but act as agents on behalf of the Corporate Trustee. New Charitable Funds Committee members are provided with induction literature that includes the committee’s Governing document – including terms of reference; Trustee’s Annual report and Accounts; previous committee minutes and the Charity Commission booklet CC3, *the Essential Trustee*.

During 2024/25 the Charitable Funds Committee comprised of:

Mr Ibrahim Ismail	Non-Executive Director (Committee Chair to 31 st August 2024)
Mr David Gilbert	Non-Executive Director (Interim Chair from 1 st September 2024 to 31 st March 2025)
Mr Eustace de Sousa	Non-Executive Director (until 31 st August 2024)
Mr Geoffrey Appleton	Non-Executive Director (from 1 st September 2024)
Mr Chris Mawdsley	Group Chief Communications & Marketing Officer
Mr Robert Forster	Group Deputy Chief Executive & Chief Finance Officer (Treasurer)
Mr David Melia	Chief Nurse
Mr Jim Gardner	Medical Director

The Trust’s charitable funds are held distinct from the exchequer funds of the Liverpool University Hospitals NHS Foundation Trust. The charity’s bank accounts are held at:

NatWest	and	Barclays Bank plc
2 nd Floor		48B/50 Lord Street
280 Bishopsgate		Liverpool L2 1TD
London EC2M 4RB		

The charitable funds investments are held by Bankers Trust, as nominee for the Trustee. The investments are managed on behalf of the charity by the following two investment managers:

Rathbone Investment
Management Ltd

Port of Liverpool Building, Pier Head, Liverpool L3 1NW

Barclays Private Bank

1 Churchill Place, London E14 5HP

Legal advice is provided to the Trustee by:

Hill Dickinson Solicitors
No 1 St Paul's Square
Liverpool L3 9SJ

The Trustee responsibilities, which include the maintenance of financial records appropriate to the activities of the funds; the establishment and monitoring of a system of internal control; safeguarding the assets of the funds held on trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities; are subject to "internal audit" verification by:

Mersey Internal Audit Agency
Regatta Place
Brunswick Business Park
Summers Road
Liverpool L3 4BL

The appointed auditors are.

Bennett Brooks & Co Limited
St George's Court
Winnington Avenue
Northwich CW8 4EE

Charitable Objects and Purpose

The Charity's umbrella fund has NHS wide objectives 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.

Object: Donations received by the Charity may be expended on 'any **charitable** purpose or purposes relating to the National Health Service wholly or mainly for the service provided by University Hospitals of Liverpool NHS Foundation Trust.'

The Charitable Purpose of the Charity was refreshed on 11th January 2024 to provide greater clarity to donors and support decision making when grant funding:

To support high quality patient care and staff health and wellbeing **beyond that which the NHS provides** by generating charitable income to:

1. Improve the **care environment and patients' experience**.
2. Provide **medical equipment/systems** that are in addition to minimum standards required of the service.
3. Fund **research, innovation and education programmes** that directly contribute to the care of our patients.
4. Fund specific **staff and volunteer health and wellbeing** projects.

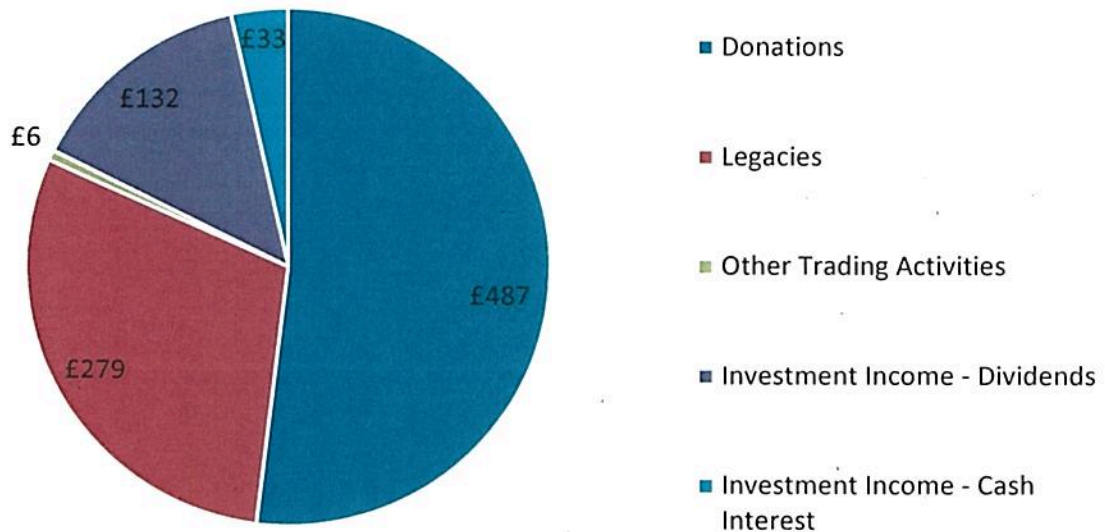
Charitable Structure

During 2024/25 the structure of the funds was updated to better reflect the Charitable Purpose of the Charity and the new structure of the NHS Trust. The majority of the legacy funds which related to the old Royal Liverpool and Broadgreen Charity and the Aintree Hospitals Charity were formally de-registered with the Charities Commission and are no longer restricted. Refer to note 12.5 of the financial statements. The majority of this work was complete by 31st March 2025, with just eight linked funds remaining that still required de-registration at the end of the financial year. The remaining eight are to be de-registered in 2025/26. The new funds structure includes funds which are designated to Trust NHS services and sit beneath the Charities Umbrella fund.

Annual Report and Accounts

Incoming resources to the Trust's charitable funds totalled £937,000 for the year ended 31 March 2025, a fall of £386,000 on the previous twelve months total of £1,323,000. This was due to donations falling by £133,000, legacy income falling by £60,000 and investment income falling by to £94,000 in 2024/25, compared to 2023/24 figures (which included a £99,000 transfer into the LUH Charity, following the closing of the AUH Charity).

Charity Income 2024/25 (£000s)



Included within these figures are the following large donations: -

- i) £67,000 grant from the Aintree Volunteers group, following their decision to cease activity.
- ii) £41,000 from the Marina Dalglish Appeal to support the refurbishment of the Aintree Breast Unit's radiography facilities
- iii) £24,000 from Sutcliffe from organising a fundraising ball for the charity (total income generated from the event for the charity was £32,000).
- iv) £20,000 from DSM Demolitions as lead sponsor of the 2024 LUHFT staff awards.

The trust's donated income policy, which prescribes how donations should be collected and recorded, is shown in Appendix B (section 2).

Legacies from nine bequests were received totalling £69,000. A further nine legacies totalling £210,000 were also notified and accounted for in the year ended 31st March 2025. The largest single bequests being:

- i) £80,000 notified from the estate of John Shrigley.
- ii) £55,000 notified from the estate of Rose Woods.
- iii) £50,000 notified from the estate of Anthony Broadbent Hutchinson.
- iv) £30,000 received from the estate of Thomas John Wright.

The total legacies accounted for during 2024/25 amounted to £279,000, a decrease of £60,000 on the previous year's figure of £339,000.

Investment income totalling £165,000 was earned during the year, a fall of £94,000 on the previous year's figure of £259,000. Dividends from equity stocks and gilts provided £132,000 (£201,000 in 2023/24), and £33,000 was earned from interest on cash balances held (£58,000 in 2023/24). There were significant cash withdrawals from the investment portfolio during 2024/25 and this has had an impact on the investment returns achieved when compared to 2023/24.

Fundraising

We raise money for the many charitable funds across the Trust and the focus in 2024/25 was to support various initiatives throughout the organisation.

The Charity makes use of fundraisers employed by the Liverpool University Hospitals NHS Foundation Trust, and subject to control and supervision by the Hospital Trust. There were no complaints received about the fundraising activity undertaken during 2024/25.

As always, we are extremely grateful to the individuals and groups who fundraise or volunteer for our charity and provide any other support.

The charity also continues to support fundraising for the Foundation for the Prevention of Blindness Fund, a dedicated ophthalmic research fund.

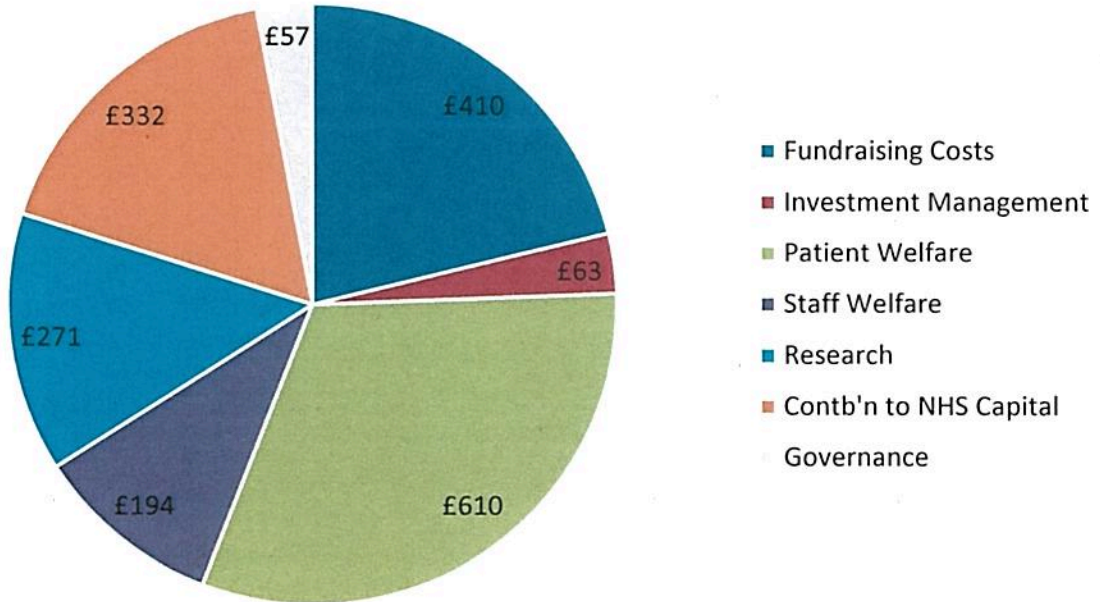
Expenditure

Direct charitable expenditure for the year was £1,345,000 a fall of £1,994,000 on 2023/24 spend of £3,339,000. Expenditure accounted for in 2024/25 included contributions to Patient Welfare and Amenities of £583,000; Research and Education grants totalling £259,000; Staff Welfare & Amenities totalling £186,000 and grants of £317,000 were provided for NHS Capital projects.

Support costs attributable to the grants of £62,000 brought the total grants figure to £1,407,000. A further £473,000 (including £50,000 support costs) was incurred in the costs of generating

funds for the charity, comprising £410,000 spent on generating voluntary income and £63,000 on investment management costs.

2024/25 Charity Expenditure (£000s)



Major grants awarded during 2024/25 included: -

- a) £163,000 to fund the appointment of five additional activity support workers in support of dementia patients for twelve months.
- b) £109,000 on an ophthalmology research project to explore new surgical techniques for treating retinal detachments.
- c) £108,000 to purchase a SurgiCube clean air flow system to support cataract surgery in an outpatient setting.
- d) £82,000 to support the refurbishment of the radiographic hub at Aintree for the Breast Unit (with 50% of the funding provided through an external charity donation from the Marina Dalglish Appeal).

The expenditure invested by the charity in supporting the services provided by the Hospital Trust has had a positive impact on the quality of care that the Trust is able to provide to its patients and stakeholders not only currently, but also in the future, meeting the overriding aims of the charity.

Governance costs, the central running costs of the charity that are not apportioned out as support costs, totalled £57,000. This included salary costs of £53,000; Audit fees of £15,000,

and establishment/other expenses of £4,000. There was also release of prior year creditors of £15,000, resulting in an overall fall of £21,000 on last year’s governance costs of £78,000.

The overall charity spend in 2024/25 was consequently £1,937,000 in total (£3,904,000 in 2023/24).

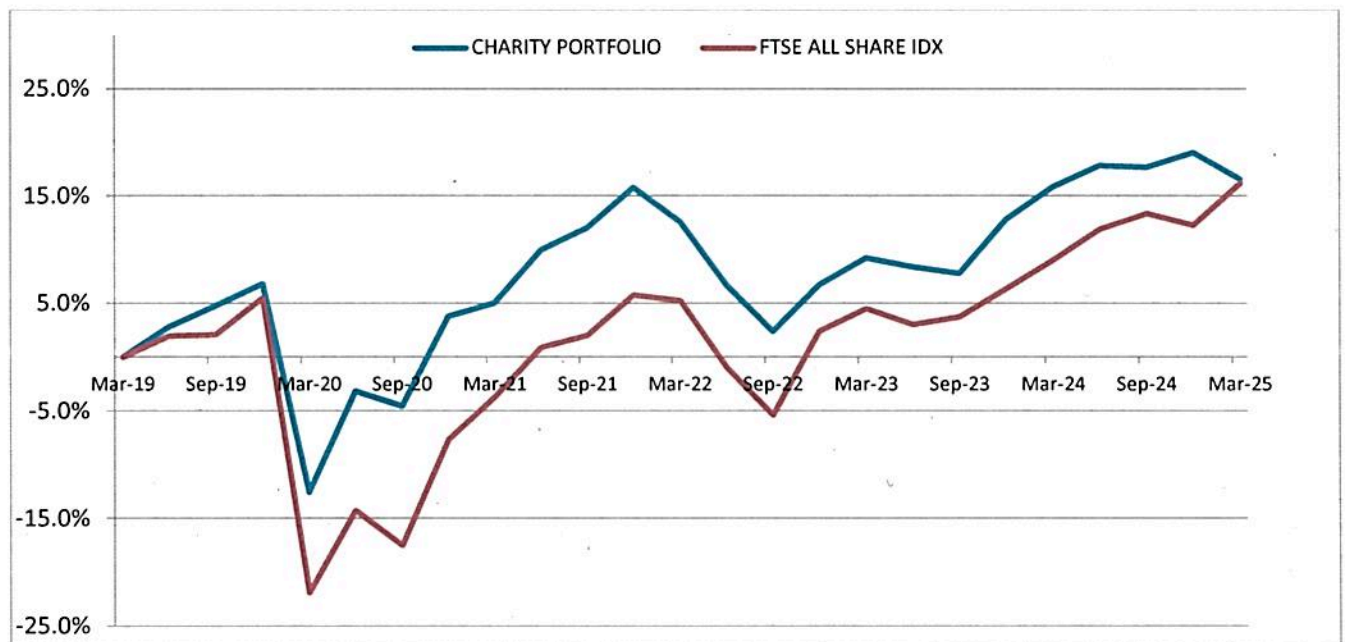
Gains/(losses) on Investment Assets

At the start of the 2024/25 financial year (1st April 2024), the market value of the investment portfolio stood at £9,921,000. Investment holdings totalling £2,335,000 were acquired during the year, while investment holdings with a carrying value of £5,324,000 were disposed of during the period. The portfolio saw a small rise in valuation during 2024/25, with an overall investment increase of £72,000 in the financial year following a rise of £671,000 in 2023/24. This rise during 2024/25 equates to a +1.05% increase in the value of the portfolio, this is a disappointing performance in comparison to the UK markets, with the FTSE All-SHARE up +9.6% over the same 12-month period, and the FTSE-100 up +10.78%. The financial year ended with a closing balance as at 31st March 2025 of £7,004,000, down by £2,917,000 from the beginning of the financial year. The drop in holdings was entirely due to a significant amount of net cash withdrawals from out of the portfolios during the year (£2,990,000), in order to meet our on-going expenditure commitments.

Realised profits/(losses) on sales and earned income on investments were allocated to the general purpose fund.

Below is a graphical representation highlighting the rise and fall of the portfolio over the last six years against the FTSE-All Share index, from the end of 2018/19 (31st March 2019) to the end of 2024/25(31st March 2025):

Table 1: Six-year Investment performance of Charity portfolio vs FTSE-All Share index



In relative terms, the portfolio has increased by 16.6% since 31st March 2019, with a strong rebound in 2020 and 2021 following covid related falls in early 2020. Over the previous five years up to the end of 2023/24, the charity portfolio had consistently outperformed the UK investment markets. However, the 2024/25 financial year has seen a dip in performance compared to the markets.

The investment portfolio also generated dividend returns of £132,000 in 2024/25 (£201,000 in 2023/24).

The investment guidelines operated by the Charitable Funds Investment Committee are shown in Appendix B & C.

The Charitable Funds Investment Committee measure the performance of the investment managers on a total return basis against certain benchmarks, including long term target of CPI +4%.

Balance Sheet

The total net assets of the Trust's Charitable Funds as of 31st March 2025 were £5,614,000, a drop of £928,000 on the previous year's balance of £6,542,000. Overall resources expended through charitable grants and administration were £1,000,000 higher than income received, but the rise in investments of £72,000 reduced the net outflow to £928,000.

The charity's total net assets comprised: -

- a) total fixed assets of £7,004,000 solely representing the value of the investment portfolio as at 31st March 2025.
- b) total current assets of £811,000 including:
 - i) stocks of £5,000 in respect of fundraising activities, which have been valued at cost.
 - ii) debtors of £314,000, including £210,000 for notified legacies, not yet received.
 - iii) cash balances of £492,000 being held to provide cash reserves to each of our registered charities to meet commitments as they arise.
- c) creditors falling due within one year of £1,755,000.
- d) creditors falling due after more than one year of £446,000.

Risk Management

The Charity has a Risk Management Framework supported by a bespoke Charitable Funds Risk Register (based on the Trustee's Risk Management System). Both are reviewed periodically by the Charitable Funds Committee (CFC). The major risks to which the charity is exposed have been identified and considered with systems and processes established to mitigate those risks. Significant risks are reported to the Corporate Trustee via the CFC's Chair's Assurance Report.

Available Resources

Fund balances as at 31st March 2025 total £5,614,000; of which £82,000 is held as capital in perpetuity/endowment funds and as such cannot be freely expended.

There is a further £319,000 of funds held in the form of current assets (stocks £5,000 and debtors £314,000) and as such these resources are not immediately available for expenditure. This leaves a balance of resources of £5,213,000.

Grant Making Policy

Bids for charitable grants are considered on their individual merits. All grant requests under £10,000 are considered by a Small Grants Group. Requests over £10,000 are reviewed by a Grant Making Panel. Any grant requests over £50,000 will then be considered by the Charitable Funds Committee for final approval. Appendix A has further details of the expenditure policy.

Public Benefit

The Trustee ensures that all grants and spending plans contain identifiable public benefits, which are clear, understandable, and meet the objects of the particular charity concerned (under the Liverpool University Hospitals NHS Charitable Fund umbrella).

Section 17 of the Charities Act 2011 explains the duty of Trustee to have due regard to the public benefit in the management and decision making of the Charity. The Trustee has ensured that the public benefit requirement is strongly embedded within the procedures and controls the Charity has in place, through all stages of the grant approval process and the monitoring of grant expenditure after approval has been given (all grant expenditure is verified before payment that the spend relates to activity set out and approved in the grant application).

Future Plans

The Charity will continue to deploy its five-year strategy for 2025-2030 following the merging of the Royal Liverpool and Broadgreen Hospitals charity and Aintree University Hospitals Charity. As our hospitals have developed over recent years, we recognise that our Charity similarly needs to evolve to better enable us to maximise the impact and value of our contribution to supporting our hospitals. Its overarching purpose remains the support of high-

quality patient care and staff and volunteer health and wellbeing beyond that which the NHS provides by generating charitable income.

Future Vision: Connecting our hospitals to the communities and people we serve to enable them to deliver better care tomorrow than our patients have today, improve health outcomes and reduce health inequalities.

Mission: By 2030 to raise £3m per annum and maximise the impact and value of charitable funding for the benefit of the patients, families and communities served by our hospitals.

Meet these challenges – strategic objectives

- Alignment with Trust, supporting strategic objectives
- 4 priority areas for funding
- Insight-driven, well governed, sustainable charity
- Charity growth and sustainability
- Exemplar in data management /insight driven
- Maximise impact of technology.

The Charity operates on the principles of equity, fairness and accessibility. It will continue to raise funds to improve patient experience and the care environment. Funding research and clinical innovation programmes and contributing to the health and wellbeing of our staff and volunteers will remain core objectives. Making best use of data and digital innovations will enable our small team to achieve the best outcomes for the benefit of our patients and their loved ones.

Conclusion

2024/25 has been another strong year for the charity, with the charity being able to commit further significant resources to support the Hospital Trust in improving the patient experience through investment in research, equipment, staff training & wellbeing and service developments. It must be recognised that none of our achievements would be possible without the hard work and generous support of volunteers; individual, corporate and trust donors, and sponsors and patrons alike. A very warm and heartfelt thanks goes out to all, for their dedication and continued support of the Trust's charities.

Signed by:
David Flory
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04-Dec-2025
..... / /

Chair

Liverpool University Hospitals NHS Charitable Fund

**FINANCIAL
STATEMENTS
2024/2025**

Statement of Financial Activities for the year ended 31 March 2025

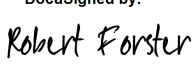
	Note	2024/25 Unrestricted Funds £000	2024/25 Restricted Funds £000	2024/25 Endowment Funds £000	2024/25 Total Funds £000	2023/24 Unrestricted Funds £000	2023/24 Restricted Funds £000	2023/24 Endowment Funds £000	2023/24 Total Funds £000
Income and Endowments from:									
Donations & Legacies	2.1	129	637	0	766	100	864	0	964
Other Trading activities	2.2	0	6	0	6	0	1	0	1
Investments	2.3	1	164	0	165	26	233	0	259
Funds transfer in from AUH Charity	2.4	0	0	0	0	0	99	0	99
Total Income & Endowments		130	807	0	937	126	1,197	0	1,323
Expenditure on:									
Raising funds	3	272	201	0	473	18	410	0	428
Charitable activities	4	288	1,119	0	1,407	243	3,155	0	3,398
Governance	5	34	23	0	57	0	78	0	78
Total Expenditure		594	1,343	0	1,937	261	3,643	0	3,904
Net Gains / (Losses) on Investments	8	0	72	0	72	(5)	674	2	671
Net Income / (Expenditure)		(464)	(464)	0	(928)	(140)	(1,772)	2	(1,910)
Transfers between funds		4,324	(4,324)	0	0	0	0	0	0
Net movement in funds	6	3,860	(4,788)	0	(928)	(140)	(1,772)	2	(1,910)
Reconciliation of funds:									
Fund balances carried forward at 31 MARCH 2024		444	6,016	82	6,542	584	7,788	80	8,452
Fund balances carried forward at 31 MARCH 2025		4,304	1,228	82	5,614	444	6,016	82	6,542

The notes at pages 19 to 33 form part of these financial statements.

Balance Sheet as at 31 March 2025

	Notes	Unrestricted Funds 31.03.25 £000	Restricted Funds 31.03.25 £000	Endowment Funds 31.03.25 £000	Total at 31 March 2025 £000	Unrestricted Funds 31.03.24 £000	Restricted Funds 31.03.24 £000	Endowment Funds 31.03.24 £000	Total at 31 March 2024 £000
Fixed assets:									
Investments	8.2	4,442	2,486	76	7,004	493	9,352	76	9,921
Total Fixed Assets		4,442	2,486	76	7,004	493	9,352	76	9,921
Current assets:									
Stocks		0	5	0	5	0	1	0	1
Debtors	10	91	223	0	314	0	458	0	458
Cash at bank and in hand		385	101	6	492	0	653	6	659
Total Current Assets		476	329	6	811	0	1,112	6	1,118
Creditors: Amounts falling due within one year	11.1	600	1,155	0	1,755	49	3,973	0	4,022
Net Current Assets / (Liabilities)		(124)	(826)	6	(944)	(49)	(2,861)	6	(2,904)
Total Assets less Current Liabilities		4,318	1,660	82	6,060	444	6,491	82	7,017
Creditors: Amounts falling due after more than one year	11.2	14	432	0	446	0	475	0	475
Total Net Assets		4,304	1,228	82	5,614	444	6,016	82	6,542
Funds of the Charity									
Capital Funds:									
Endowment funds	12.1	0	0	82	82	0	0	82	82
Income Funds:									
Restricted income funds	12.5	0	1,228	0	1,228	0	6,016	0	6,016
Unrestricted funds		4,304	0	0	4,304	444	0	0	444
Total charity funds		4,304	1,228	82	5,614	444	6,016	82	6,542

The notes at pages 19 to 33 form part of these financial statements.

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 Signed: 3200AA3FC46B4CF...

Date: 04-Dec-2025

LIVERPOOL UNIVERSITY HOSPITALS NHS CHARITABLE FUND - FINANCIAL STATEMENTS 2024/25**Statement of Cash Flows for the year ended 31 March 2025**

	Total 2024/25 £000	Total 2023/24 £000
Cash flows from Operating Activities:		
Net Cash provided by (used in) operating activities	<u>(3,321)</u>	<u>(2,105)</u>
Cash flows from investing activities:		
Returns on Investments	165	259
Proceeds from sale of investments	5,324	7,564
Purchase of Investments	(2,335)	(6,655)
Acquisition of AUH less cash acquired	0	99
Net cash provided by (used in) investing activities	3,154	1,267
Change in cash and cash equivalents	(167)	(838)
Cash and Cash equivalents at the start of the year	659	1,497
Cash and Cash equivalents at the end of the year	492	659
Reconciliation of net income / (expenditure) to net cash flow from Operating activities		
Net (expenditure) as per the SOFA	(928)	(1,910)
Dividends and Interest from Investments	(165)	(259)
(Increase) / decrease in Stocks	(4)	4
(Increase) / decrease in Debtors	144	(76)
Increase / (decrease) in Creditors	(2,296)	906
Revaluation of investments	(72)	(671)
Funds Transfer from AUH	0	(99)
Net cash (outflow) / inflow from operating activities	(3,321)	(2,105)

LIVERPOOL UNIVERSITY HOSPITALS NHS CHARITABLE FUND

NOTES TO THE ACCOUNTS

ACCOUNTING POLICIES

1.1 Basis of preparation

The financial statements have been prepared in accordance with 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 – (Charities SORP "FRS 102"), the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Charities Act 2011.

Liverpool University Hospitals NHS Charitable Fund meets the definition of a public benefit entity under FRS 102.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

(a) Going Concern

The Trustees have carried out an assessment and are of the view that, notwithstanding the net current liabilities at year-end, given the high levels of cash and readily realisable investments, the charity is a going concern, with no material uncertainties about the charity's ability to continue.

(b) Critical Accounting Judgements and Estimates

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the charity's accounting policies and the reported assets, liabilities, income and expenditure and the disclosures made in the financial statements. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the current circumstances.

Key judgements concern the timing of recognition of legacy income and the recognition of awards granted to the Trust.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

(c) Entity Combinations

Entity combinations for public benefit entities are accounted for in accordance with paragraph PBE 34.75 of FRS 102. The combination with AUH for nil consideration is in substance a gift. The excess of the fair value of the assets received over the fair value of the liabilities assumed is recognised as a gain in the Statement of Financial Activities, representing the gift of the value of one entity to another and is recognised as income.

1.2 Income

The policies followed, which deal with income, voluntary assistance and donations, are:

(a) All incoming resources are included in full in the Statement of Financial Activities as soon as the following three factors can be met:

- i) Entitlement - arises when a particular resource is receivable or the charity's right becomes legally enforceable;
- ii) Certainty – when there is reasonable certainty that the incoming resource will be received;

LIVERPOOL UNIVERSITY HOSPITALS NHS CHARITABLE FUND - FINANCIAL STATEMENTS 2024/25

- iii) Measurement – when the monetary value of the incoming resources can be measured with sufficient reliability.

(b) Gifts in kind

- i) Assets given for distribution by the charity are included in the Statement of Financial Activities only when distributed.
- ii) Assets given for use by the charity (e.g. property for its own occupation) are included in the Statement of Financial Activities as incoming resources when receivable.
- iii) Gifts made in kind but on trust for conversion into cash and subsequent application by the charity are included in the accounting period in which the gift is sold.

In all cases the amount at which gifts in kind are brought into the account is either a reasonable estimate of their value to the charity or the amount actually realised. The basis of the valuation will be disclosed in the annual report if any gifts in kind are received during the year. No such gifts were received in the current or prior year.

(c) Intangible Income including donated services and facilities

Intangible income (e.g. the provision of free accommodation) is included in the accounts with an equivalent amount in outgoing resources, if there is a financial cost borne by another party. The value placed on such income is the financial cost of the third party providing the resources. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised as income or expenditure.

(d) Legacies

Legacies are accounted for as incoming resources once the receipt of the legacy becomes probable. This will be once confirmation has been received from the representatives of the estate that payment of the legacy will be made or property transferred and once all conditions attached to the legacy have been fulfilled.

(e) Interest receivable and dividend income

Interest on funds held on deposit and dividend income is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest or dividend paid or payable.

1.3 Expenditure

The funds held on trust accounts are prepared in accordance with the accruals concept. Expenditure is recognised when a liability is incurred and 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. Grant commitments are recognised once there is a legal or constructive obligation to make a payment to a third party.

LIVERPOOL UNIVERSITY HOSPITALS NHS CHARITABLE FUND - FINANCIAL STATEMENTS 2024/25**(a) Cost of raising funds**

The cost of generating funds are the costs associated with generating income for the funds held on trust. It will also include Investment management costs which consist of direct fees and a proportion of support costs (see note 5.2).

(b) Grants payable

Grants payable are payments, made to third parties (including NHS bodies) in the furtherance of the funds held in accordance with the trust's charitable objectives. They are accounted for on an accruals basis where the conditions for their payment have been met or where a third party has a reasonable expectation that they will receive the grant. This includes grants paid to NHS bodies.

(c) Allocation of Overhead and Support costs

These are accounted for on an accruals basis and have been allocated based upon time spent or the nature of the activity (see note 5.1) between Charitable Activities and Governance Costs. 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.

(d) Governance Costs

Governance costs comprise all costs incurred in the governance of the charity. These costs include costs related to statutory audit together with an apportionment of overhead and support costs.

(e) Irrecoverable VAT

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

1.4 Structure of funds

Where there is a legal restriction on the purpose to which a fund may be used, the fund is classified in the accounts as a restricted fund. Funds where the capital is held to generate income for charitable purposes and cannot itself be spent are accounted for as endowment funds. Other funds are classified as unrestricted funds. Funds which are not legally restricted but which the Trustee has chosen to earmark for set purposes are designated funds. The major funds held within these categories are disclosed in note 12.

1.5 Tangible Fixed Assets

The charity has no tangible fixed assets.

LIVERPOOL UNIVERSITY HOSPITALS NHS CHARITABLE FUND - FINANCIAL STATEMENTS 2024/25**1.6 Investment Fixed Assets**

Investment fixed assets (excluding cash) are shown at fair value, which is determined by their market value.

- i) Quoted stocks and shares are included in the balance sheet at mid-market price, ex-div.
- ii) Other investment fixed assets are included at Trustee's best estimate market value.

1.7 Realised 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 (or date of purchase if later). Unrealised gains and losses are calculated as the difference between market value at the year-end and opening market value (or date of purchase if later).

1.8 Intangible Fixed Assets

The charity has no intangible fixed assets.

1.9 Stock

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

1.10 Debtors

Trade and other debtors are recognised at cost, being the settlement amount due. Prepayments are valued at the amount prepaid net.

1.11 Cash at bank and in hand

Cash at bank and in hand includes cash held in the Liverpool University Hospitals NHS Charitable Fund's account and the amounts held in the 'income' accounts within the Charity's investment portfolios.

1.12 Creditors and provisions

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

1.13 Change in the Basis of Accounting

There has been no change in the basis of accounting.

LIVERPOOL UNIVERSITY HOSPITALS NHS CHARITABLE FUND - FINANCIAL STATEMENTS 2024/25**1.14 Prior Year Adjustments**

There has been no change to the accounts of prior years.

1.15 Pooling Scheme

An official pooling scheme is operated for investments covering all funds registered under the umbrella agreement. The scheme was registered with the Charity Commission on 26th March 2002.

1.16 Related Party Transactions

During the year none of the Trust Board or members of the key management staff or parties related to them has undertaken any material transactions with the Liverpool University Hospitals NHS Foundation Trust.

The charitable trust has made revenue and capital payments to the Liverpool University Hospitals NHS Foundation Trust, whose Trust Board members (whose names are listed below) also represent the Corporate Trustee.

Further details of related party transactions can be found in note 18.

Trust Board Members

D Flory	Chair
M Eastwood	Non Executive Director
S Samuels	Non Executive Director (to 31st August 2024)
E de Sousa	Non Executive Director (to 31st August 2024)
I Ismail	Non Executive Director (to 31st August 2024)
Prof T Walley	Non Executive Director
D Gilbert	Non Executive Director
J Bird	Non Executive Director
T Ellery	Non Executive Director (from 1st September 2024)
S Walker	Non Executive Director (from 1st September 2024)
Z Chaudhry	Non Executive Director (from 1st September to 30th November 2024)
G Appleton	Non Executive Director (from 1st September 2024)
S Rai	Non Executive Director (from 28th February 2025)
J Sumner	Chief Executive Officer
D Melia	Chief Nurse
J Gardner	Executive Medical Director
R Forster	Deputy Chief Executive Officer & Chief Finance Officer
H Barnett	Chief People Officer
B Weston	Chief Delivery Officer
P Turkington	Executive Managing Director - Aintree Hospital site
N Hudson	Executive Managing Director - Royal Liverpool University Hospital site

LIVERPOOL UNIVERSITY HOSPITALS NHS CHARITABLE FUND - FINANCIAL STATEMENTS 2024/25

Donations & Legacies		2.1	Unrestricted 2024-25 Funds £000	Restricted 2024-25 Funds £000	Endowment 2024-25 Funds £000	Total 2024-25 Funds £000	Total 2023-24 Funds £000
	Donations		129	358	0	487	625
	Legacies		0	279	0	279	339
	Total		129	637	0	766	964
Trading Activities		2.2	Unrestricted 2024-25 Funds £000	Restricted 2024-25 Funds £000	Endowment 2024-25 Funds £000	Total 2024-25 Funds £000	Total 2023-24 Funds £000
	Fundraising		0	6	0	6	1
	Total		0	6	0	6	1
Investment Income		2.3	Unrestricted 2024-25 Funds £000	Restricted 2024-25 Funds £000	Endowment 2024-25 Funds £000	Total 2024-25 Funds £000	Total 2023-24 Funds £000
	Dividends and investment Interest		1	131	0	132	201
	Bank Interest		0	33	0	33	58
	Total		1	164	0	165	259
Donation from AUH Charity		2.4	Unrestricted 2024-25 Funds £000	Restricted 2024-25 Funds £000	Endowment 2024-25 Funds £000	Total 2024-25 Funds £000	Total 2023-24 Funds £000
	Transfer in from AUH Charity		0	0	0	0	99
	Total		0	0	0	0	99
Expenditure on Raising funds		3	Unrestricted 2024-25 Funds £000	Restricted 2024-25 Funds £000	Endowment 2024-25 Funds £000	Total 2024-25 Funds £000	Total 2023-24 Funds £000
	Fundraising Costs		234	176	0	410	353
	Investment Management		38	25	0	63	75
	Total		272	201	0	473	428
Expenditure on Charitable Activities		4	Unrestricted 2024-25 Funds £000	Restricted 2024-25 Funds £000	Endowment 2024-25 Funds £000	Total 2024-25 Funds £000	Total 2023-24 Funds £000
	Patients Welfare & amenities		117	493	0	610	1,858
	Staff Welfare & amenities		79	115	0	194	540
	Research & Education		125	146	0	271	711
	Contributions to NHS Capital		(33)	365	0	332	289
	Total		288	1,119	0	1,407	3,398

LIVERPOOL UNIVERSITY HOSPITALS NHS CHARITABLE FUND - FINANCIAL STATEMENTS 2024/25

Expenditure Other 5

	Unrestricted 2024-25 Funds £000	Restricted 2024- 25 Funds £000	Endowment 2024-25 Funds £000	Total 2024-25 Funds £000	Total 2023-24 Funds £000
Governance	34	23	0	57	78
Total	34	23	0	57	78

Allocation and Apportion to Governance Costs 5.1

	Basis of Allocation	Allocated to Governance £000	Residual for Apportion £000	Total 2024-25 Funds £000	Total 2023-24 Funds £000
Salaries	Time Spent	53	108	161	150
Establishment Costs	Governance	(15)	0	(15)	5
Audit Fee	Governance	15	0	15	19
Miscellaneous	Governance	4	2	6	10
Total		57	110	167	184

It should be noted that charity does not employ any staff directly. Rather, the salary costs above are for charity administration staff employed by the Hospital Trust and then the costs are recharged to the Charity

Apportion of Support Costs 5.2

	Direct Costs £000	Support Costs £000	Total 2024-25 Funds £000	Total 2023-24 Funds £000
Expenditure on raising Funds:				
Fundraising	387	23	410	353
Investment Management	36	27	63	75
Sub - Total	423	50	473	428
Expenditure on Charitable Activities:				
Patients Welfare & amenities	583	27	610	1,858
Staff Welfare & amenities	186	8	194	540
Research	259	12	271	711
Contributions to NHS Capital	317	15	332	289
Sub - Total	1,345	62	1,407	3,398
Governance	0	57	57	78
Total Expenditure	1,768	169	1,937	3,904

It should be noted that charity does not employ any staff directly. Rather, the salary costs of fundraising staff (included in the cost of fundraising above) are employed by the Hospital Trust and then the costs are recharged to the Charity.

LIVERPOOL UNIVERSITY HOSPITALS NHS CHARITABLE FUND - FINANCIAL STATEMENTS 2024/25

Charity Activities by Type	5.3	Grants to Institutions 2024-25 £000	Grants to Individuals 2024-25 £000	Support Costs 2024-25 £000	Total 2024-25 £000	Total 2023-24 £000
Patients Welfare & amenities		583	0	27	610	1,858
Staff Welfare & amenities		170	16	8	194	540
Research		259	0	12	271	711
Contributions to NHS Capital		317	0	15	332	289
Total		1,329	16	62	1,407	3,398

Grants awarded to insitutions	5.4	Total 2024-25 £000	Total 2023-24 £000
Liverpool University Hospital NHS FT		1,103	2,721
University of Liverpool		226	511
Bangor University		0	95
		1,329	3,327

Changes in Resources Available for Charity Use	6	Unrestricted 2024-25 Funds £000	Restricted 2024-25 Funds £000	Endowment 2024-25 Funds £000	Total 2024-25 Funds £000	Total 2023-24 Funds £000
Net movement in funds for the year		3,860	(4,788)	0	(928)	(1,910)
Net movement in tangible fixed assets		0	0	0	0	0
Net movement in funds available		0	0	0	0	0
		3,860	(4,788)	0	(928)	(1,910)

Tangible Fixed Assets 7 There are no fixed assets of the charity

LIVERPOOL UNIVERSITY HOSPITALS NHS CHARITABLE FUND - FINANCIAL STATEMENTS 2024/25

Analysis of Fixed Asset Investments

		2024-25	2023-24
		£000	£000
8			
8.1	Fixed Asset Investments:		
	Market value at 31 March 2024	9,921	10,159
	Gifted from AUH	0	0
	Less: Disposals at carrying value	(5,324)	(7,564)
	Add: Acquisitions at cost	2,335	6,655
	Net gain / (loss) on revaluation	72	671
	Market value at 31 March 2025	<u>7,004</u>	<u>9,921</u>
	Historic cost at 31 March 2025	<u>6,401</u>	<u>8,746</u>

	Held in UK	2024-25 Total	2023-24 Total
	£000	£000	£000
8.2	Market value at 31 March:		
	Investments listed on the Stock Exchange	6,873	9,718
	Cash held as part of the investment portfolio	131	203
		<u>7,004</u>	<u>9,921</u>

Post Balance events **9** None

LIVERPOOL UNIVERSITY HOSPITALS NHS CHARITABLE FUND - FINANCIAL STATEMENTS 2024/25

Analysis of Debtors		Total as at 31 MARCH 2025	Total as at 31 MARCH 2024
		£000	£000
10			
10.1	Amounts falling due within one year:		
	Prepayments	0	2
	Accrued income	314	456
	Total debtors falling due within one year	314	458
10.2	Amounts falling due over one year:		
	Total debtors falling due after more than one year	0	0
	Total debtors	314	458
<hr/>			
Analysis of Creditors		Total as at 31 MARCH 2025	Total as at 31 MARCH 2024
		£000	£000
11			
11.1	Amounts falling due within one year:		
	Other creditors	40	179
	Accruals	1,715	3,824
	Deferred income	0	19
	Total creditors falling due within one year	1,755	4,022
11.2	Amounts falling due after more than one year:		
	Accruals	446	475
	Total creditors falling due after more than one year	446	475
	Total creditors	2,201	4,497

LIVERPOOL UNIVERSITY HOSPITALS NHS CHARITABLE FUND - FINANCIAL STATEMENTS 2024/25

Analysis of Funds 12

12.1	Endowment Funds 31.03.25	Balance 31 March 2024	Incoming Resources	Resources Expended	Transfers	Gains and Losses	Balance 31 March 2025
	(list individually)	£000	£000	£000	£000	£000	£000
A	M A Davies	18	0	0	0	0	18
B	S I V Cooke	15	0	0	0	0	15
C	Dr J Bernstein	3	0	0	0	0	3
D	Mr N Gibbon	40	0	0	0	0	40
E	Dr Ansell	6	0	0	0	0	6
	Others (1)	0	0	0	0	0	0
	Total	82	0	0	0	0	82

Details of material funds - Endowment Funds 31.03.24

12.2	Name of fund	Description of the nature and purpose of each fund
A	M A Davies	Bed endowment fund for Patients Welfare
B	S I V Cooke	Holiday fund for Nurses
C	Dr J Bernstein	RLUH Convalescence and recreation fund
D	Mr N Gibbon	Annual Urology Scholarship
E	Dr Ansell	To provide a training bursary in recognition of nursing excellence

12.3	Endowment Funds 31.03.24	Balance 31 March 2023	Incoming Resources	Resources Expended	Transfers	Gains and Losses	Balance 31 March 2024
	(list individually)	£000	£000	£000	£000	£000	£000
A	M A Davies	18	0	0	0	0	18
B	S I V Cooke	14	0	0	0	1	15
C	Dr J Bernstein	3	0	0	0	0	3
D	Mr N Gibbon	39	0	0	0	1	40
E	Dr Ansell	6	0	0	0	0	6
	Others (1)	0	0	0	0	0	0
	Total	80	0	0	0	2	82

Details of material funds - Endowment Funds 31.03.24

12.4	Name of fund	Description of the nature and purpose of each fund
A	M A Davies	Bed endowment fund for Patients Welfare
B	S I V Cooke	Holiday fund for Nurses
C	Dr J Bernstein	RLUH Convalescence and recreation fund
D	Mr N Gibbon	Annual Urology Scholarship
E	Dr Ansell	To provide a training bursary in recognition of nursing excellence

LIVERPOOL UNIVERSITY HOSPITALS NHS CHARITABLE FUND - FINANCIAL STATEMENTS 2024/25

Analysis of Funds 12 cont'd

12.5	Funds 31.03.25	Balance 31 March 2024	Incoming Resources	Resources Expended	Transfers	Gains and Losses	Balance 31 March 2025
		£000	£000	£000	£000	£000	£000
Material funds - Restricted (list individually)							
A	RLUH Patient Welfare Fund	460	64	(273)	0	0	251
B	St Paul's Fnd. Prev of Blindness	442	219	(236)	0	0	425
C	LUH General Purpose	59	487	(409)	0	71	208
	Others	5,055	37	(425)	(4,324)	1	344
	Total Restricted	6,016	807	(1,343)	(4,324)	72	1,228
Material funds - Unrestricted							
A	Endocrinology Fund	0	0	(72)	955	0	883
B	L'pool Reg Dialysis Fund	0	30	(185)	683	0	528
C	RLUH Renal Transplant Fund	0	25	(70)	377	0	332
D	RLUH Gastroenterology Fund	0	0	(34)	268	0	234
E	BGH Haematology	0	1	14	140	0	155
	Others	444	74	(247)	1,901	0	2,172
	Total Unrestricted	444	130	(594)	4,324	0	4,304

Details of 12.6
material
Funds 31.03.25

Name of Restricted fund	Description of the nature and purpose of each fund
A RLUH Patient Welfare Fund	For the relief of RLUH patients suffering from sickness and disease or its effects
B St Paul's Fnd. Prev of Blindness	For the public benefit Ophthalmic research connected to RLUH St Paul's Eye Unit
C LUH General Purpose	Any charitable purpose relating to Liverpool University Hospitals
Name of Unrestricted fund	Description of the nature and purpose of each fund
A Endocrinology Fund	Any charitable purpose relating to disease of the gland
B L'pool Reg Dialysis Fund	Any charitable purpose relating to Dialysis services
C RLUH Renal Transplant Fund	Any charitable purpose relating to Renal Transplant Unit
D RLUH Gastroenterology Fund	Any charitable purpose for patients suffering from liver and gastro-intestinal tract disease
E BGH Haematology	Any charitable purpose relating to Haematology Unit

LIVERPOOL UNIVERSITY HOSPITALS NHS CHARITABLE FUND - FINANCIAL STATEMENTS 2024/25

Analysis of Funds 12 cont'd

12.7 Funds 31.03.24	Balance 31 March 2023	Incoming Resources	Resources Expended	Transfers	Gains and Losses	Balance 31 March 2024
	£000	£000	£000	£000	£000	£000
Material funds						
(list individually)						
A Endocrinology Fund	884	22	(20)	0	69	955
B L'pool Reg Dialysis Fund	800	19	(198)	0	62	683
C RLUH Patient Welfare Fund	554	236	(369)	0	39	460
D St Paul's Fnd. Prev of Blindness	790	202	(639)	0	89	442
E RLUH Renal Transplant Fund	351	9	(10)	0	27	377
F St Paul's General Purpose	359	7	(13)	0	21	374
G RLUH Gastroenterology Fund	273	7	(33)	0	21	268
H BGH General Purpose	181	57	(108)	0	21	151
Others	3,596	638	(2,253)	0	325	2,306
Total Restricted	7,788	1,197	(3,643)	0	674	6,016
Total Unrestricted	584	126	(261)	0	(5)	444

Details of 12.8

material
Funds 31.03.23

Name of fund	Description of the nature and purpose of each fund
A Endocrinology Fund	Any charitable purpose relating to disease of the gland
B L'pool Reg Dialysis Fund	Any charitable purpose relating to Dialysis services
C St Paul's Fnd. Prev of Blindness	For the public benefit Ophthalmic research connected to RLUH St Paul's Eye Unit
D RLUH Patients Welfare Fund	For the relief of RLUH patients suffering from sickness and disease or its effects
E Forget Me Not Fund	Any charitable purpose relating to cancer services
F St Paul's General Purpose	Any charitable purpose relating to RLUH Ophthalmology Unit
G RLUH Renal Transplant Fund	Any charitable purpose relating to Renal Transplant Unit
H RL&BUH General Purpose	Any charitable purpose relating to Royal Liverpool & Broadgreen University Hospitals

LIVERPOOL UNIVERSITY HOSPITALS NHS CHARITABLE FUND - FINANCIAL STATEMENTS 2024/25

Contingencies	13	There were no contingent assets or liabilities for the charity included in the accounts:	
<hr/>			
Commitments, Liabilities and Provisions	14.1	The Charity has no commitments, liabilities or provisions.	
	14.2	The Trustee recognise liabilities in the accounts once they have incurred either a legal or constructive obligation to expend funds.	
<hr/>			
Trustee and Connected Persons Transactions	15		
	15.1	Trustee expenses reimbursed	
			2024-25
			2023-24
			£
		Travel and subsistence	0
		Entertainment	0
		Other (please describe)	0
			<u>0</u>
			<u>0</u>
		Total number of Trust Board Members representing the Trustee	<u>20</u>
			<u>16</u>
	15.2	There was no Trustee remuneration	
	15.3	There were no transactions with a Trustee or connected persons in any personal capacity	
	15.4	Trustee Indemnity Insurance	
		Cover provided under Liverpool University Hospitals NHS Foundation Trust's Litigation Authority Non-clinical risk scheme.	
<hr/>			
Loans or Guarantees Secured against assets of the charity	16	None	

LIVERPOOL UNIVERSITY HOSPITALS NHS CHARITABLE FUND - FINANCIAL STATEMENTS 2024/25

Connected Organisations

17

Name, nature of connection, description of activities undertaken and details of any qualifications expressed by their auditors	2024-25		2023-24	
	Turnover of Connected Organisation	Net Profit/ (Loss) for the Connected Organisation	Turnover of Connected Organisation	Net Profit/ Loss for the Connected Organisation
	£	£	£	£
Liverpool University Hospitals NHS FT	1,377,067,000	(170,983,000)	1,281,857,000	(53,850,000)

Related party Transactions

18 **Related party transactions**

During the year none of the Trust Board or members of the key management staff or parties related to them has undertaken any material transactions with the Liverpool University Hospitals NHS Charitable Fund.

Professor T Walley, Non-Executive member of the Trust Board during 2024/25, is also an employee of the University of Liverpool. The Charity is involved in numerous transactions with the University of Liverpool, involving staff recharges and other research related costs. The Charity accounted for new grant activity relating to the University of Liverpool of £351,356 (2023/24: £510,588). Total outstanding owed to the University of Liverpool at 31st March 2025 stood at £832,067 (2023/24: £985,342), although these figures do contain planned future grant spend of £716,649 (2023/24: £716,419) that has been awarded but not yet paid. Professor Walley had no part in these transactions.

Independent auditors' report to the trustee of the Liverpool University Hospitals NHS Charitable Fund

Opinion

We have audited the financial statements of the Liverpool University Hospitals NHS Charitable Fund (the 'charity') for the year ended 31 March 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2025 and of its incoming resources 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 for opinion

We have been appointed as auditor under section 149 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. 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 UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions related to going concern

In auditing the financial statements, we have concluded that the trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustee with respect to going concern are described in the relevant sections of this report.

Independent auditors' report to the trustee of the Liverpool University Hospitals NHS Charitable Fund (continued)

Other Information

The trustee is responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Independent Auditors' Report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. 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 & Reports) Regulations 2008 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustee's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the trustee

As explained more fully in the Statement of Trustee's Responsibilities, the trustee is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustee determines 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 trustee is 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 trustee either intends to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Independent auditors' report to the trustee of the Liverpool University Hospitals NHS Charitable Fund (continued)

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 149 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 auditors' 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.

Based on our understanding of the charity and sector, we identified that the principal risks of non-compliance with laws and regulations related to UK tax legislation and regulations which govern the preparation of financial statements, and 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 financial statements such as the Charities Act 2011. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase incoming resources, through management bias in manipulation of accounting estimates or accounting for significant transactions outside the normal course of operations. Audit procedures performed included:

- Enquiry of management around actual and potential litigation and claims and instances of non-compliance with laws and regulations;
- Auditing the risk of management override of controls, through testing journal entries and other adjustments for appropriateness, testing accounting estimates (because of the risk of management bias), and evaluating the rationale for significant transactions outside the normal course of operations;
- Reviewing financial statement disclosures and agreeing to supporting documentation to assess compliance with applicable laws and regulations; and
- Review of trustee meeting minutes.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditors' report.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. 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.

Independent auditors' report to the trustee of the Liverpool University Hospitals NHS Charitable Fund (continued)

Use of our report

This report is made solely to the charity's trustee, as a body, in accordance with section 154 of the Charities Act 2011 and for no other purpose. Our audit work has been undertaken so that we might state to the charity's trustee those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustee as a body, for our audit work, for this report, or for the opinions we have formed.

Signed by:

BA997B49F5C6429...

Jason Leach FCA (Senior Statutory Auditor)

Bennett Brooks & Co Limited

Chartered Accountants and Statutory Auditors

Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

St George's Court

Winnington Avenue

Northwich

Cheshire

CW8 4EE

XXXXXXXXXX 2025

04-Dec-2025



Aintree | Broadgreen | Royal

Caring for those you care about most

Registered charity number 1047988

Governing Document

Approved by Corporate Trustee

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1. About University Hospitals of Liverpool Charity

University Hospitals of Liverpool Charity (UHL Charity) is the working name of the Liverpool University Hospitals NHS Charitable Fund which is registered with the Charity Commission #1047988 and has a Corporate Trustee – the Liverpool University Hospitals NHS Foundation Trust Board. The principal office is in England, located at University Hospitals of Liverpool Charity, Royal Liverpool Hospital, Mount Vernon Street, Liverpool, L7 8YE.

Its trustee arrangements have been established by the Secretary of State for Health and Social Care under NHS legislation and UHL Charity is established for charitable purposes relating to the NHS and the individuals responsible for ensuring that trustee duties are fulfilled are appointed by the NHS.

Liverpool University Hospitals Charity was formed on 1st April 2022 through the transfer of the assets of The Aintree University Hospital Charitable Fund to the Royal Liverpool & Broadgreen University Hospitals NHS Trust Charitable Fund through:

- the completion of a transfer deed
- the closure of The Aintree University Hospital Charitable Fund
- the renaming of this combined charity to Liverpool University Hospitals NHS Charitable Funds
- the rationalisation of the funds to reflect the new site-based structure (Aintree, Broadgreen, Royal).
- deregistering of the multiple linked charities

The Charity's name was changed again on 1st November 2024 following the formation of NHS University Hospitals of Liverpool Group, to University Hospitals of Liverpool Charity.

2. Charitable Objects and Purpose

Object: Donations received by UHL Charity may be expended on 'any **charitable** purpose or purposes relating to the National Health Service wholly or mainly for the service provided by University Hospitals of Liverpool NHS Foundation Trust.'

The Charitable Purpose of UHL Charity was refreshed on 11th January 2024 to provide greater clarity to donors and support decision making when grant funding:

To support high quality patient care and staff health and wellbeing **beyond that which the NHS provides** by generating charitable income to:

1. Improve the **care environment and patients' experience**.
2. Provide **medical equipment/systems** that are in addition to minimum standards required of the service.
3. Fund **research, innovation and education programmes** that directly contribute to the care of UHLFT patients.



- 4. Fund specific **staff and volunteer health and wellbeing** projects.

3. Public Benefit

In both fundraising and grant making, the corporate trustee (and its delegates) ensure that the public benefit requirement is met:

- Benefit must be identifiable and capable of being proved by evidence where necessary and which is not based on personal views.
- Benefit the public in general, or a sufficient section of the public and not give rise to more than incidental personal benefit.

4. Governing UHL Charity



The Charity Commission

The Charity Commission is responsible for:

- registering eligible organisations in England and Wales which are established for only charitable purposes.
- taking enforcement action when there is malpractice or misconduct.
- ensuring charities meet their legal requirements, including providing information on their activities each year.
- making appropriate information about each registered charity widely available to the public
- providing guidance to help charities run as effectively as possible.
- providing online services for charities.

The Corporate Trustee

The Board of Directors of University Hospitals of Liverpool NHS FT (voting members) is the Corporate Trustee and in this role:

- the Board has a shared understanding of and commitment to UHL Charity's purposes and can articulate these clearly.
- the Board can demonstrate that UHL Charity is effective in achieving its charitable purposes and agreed outcomes.

It is responsible for:

- Approving UHL Charity's Annual Report, Financial Statements and Charity Commission annual return
- Delegating selected authorities, as set out below, to the Charitable Funds Committee
- Appointing or removing members of the Charitable Funds Committee
- Approving the Governing Document or any amendments made therein.
- Receiving and reviewing the Charity Commission Trustee Checklist
- Undertaking any training necessary to remain compliant with its obligations as the Corporate Trustee.
- Closing UHL Charity.

5. The Charitable Funds Committee (CFC)¹

The Charitable Funds Committee is convened with delegations from the Corporate Trustee and is responsible for the governance of UHL Charity, ensuring it complies with the requirements of the Charity Commission and other relevant regulatory and statutory frameworks. The committee also ensures that charitable donations are administered efficiently and legally and directed promptly towards appropriate charitable activity in accordance with the donor's wishes.

The Charitable Funds committee has authority to approve the dissolution of funds where:

- The fund has been deployed for the purpose established by the donor under deed or trust and is now fully depleted.
- The fund was established under a specific appeal and the appeal's aims and objectives have been met.
- The fund was established under a specific appeal and the appeal's aims and objectives were only partly met and the funds achieved were either fully deployed or transferred to another purpose in accordance with the terms of the appeal.
- Under the annual active funds management review funds have become dormant or the funds aims can no longer be realised.

¹ Charity Governance Code



While this Committee has been established by the Board of Directors to carry out specific functions as described, it is important to note that the Board retains ultimate responsibility for discharging its duties and responsibilities as UHL Charity's Corporate Trustee. To that end, the Board of Directors has absolute discretion over the activities and decisions of the Committee.

The Terms of Reference for the Charitable Funds Committee are available at appendix 1a.

The Grant Making Panel

This panel supports the Charitable Funds Committee with the assessment of grant applications to ensure that funds are disbursed appropriately and in a timely manner.

The Charitable Funds Committee has delegated authority to the GMP to review and approve grant applications >£10K and <£50K inc. VAT. It further reviews all bids more than £50K to ensure appropriateness ahead of the applicant presenting to the quarterly CFC.

The terms of reference for the Grant Making Panel are available at appendix 1b.

The Small Grants Group

The small Grants Group has delegated authority from CFC to approve grant applications less than £10K inc. VAT.

The terms of reference for the Small Grants Group are available at appendix 1c.

Emergency Grants up to £10K only

Emergency grants can be provided to support patients and their carers/loved ones in specific circumstances, such as end of life and to support complex discharge.

- The Charity Senior Programme Manager has discretionary approval up to £1k inc. VAT.
- All other requests must be approved by the Group Chief Communications and Marketing Officer or Assistant Director of Finance in case of absence.

In all cases, emergency approvals must be accompanied by an application form and be reported through the Small Grants Group for completeness.

UHL Charity Grant making Process - Summary

Declarations of interest in any of the applications being considered will be taken at the beginning of all meetings. Members of any of the panels that work in that service or have any associated interest will be excluded from the decision-making process for that bid.

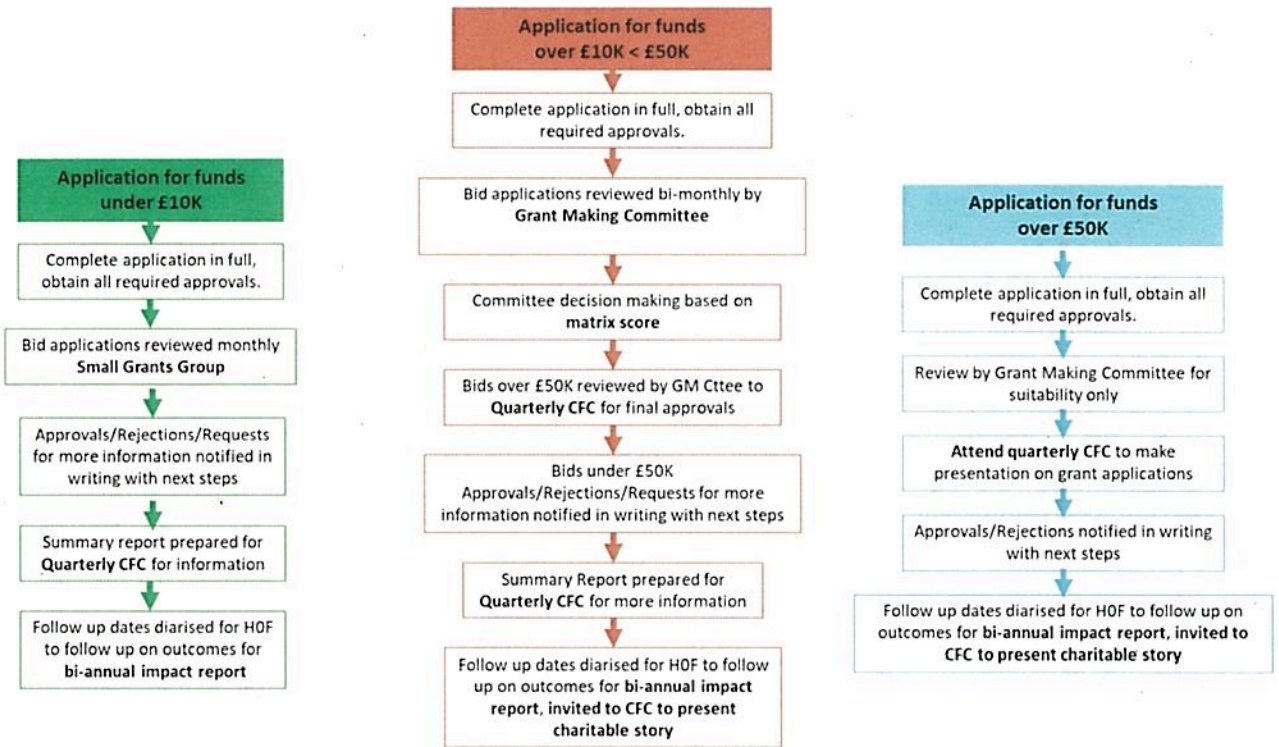
The Charitable Funds Committee reserves the right to restrict or suspend grant funding at any time in order to protect the sustainability of the Charitable Fund in cases where:

- Overall fund balance depletes faster than our ability to generate income
- Investment income (which helps offset operating costs) is at risk due to depleting balances and stock market volatility)
- For any other reason that the committee deems relevant and appropriate at that time

With effect from 1st April 2025, annual spending limits will be applied to the fund as follows:

Total grant making value will not exceed 75% of the approved annual income budget. Spending limits will be reviewed annually as part of the budget setting process and may be adjusted up or down according to income/investment performance. Large individual fund holdings will be supported through:

- Annual and quarterly calls for expressions of interest
- Proactive spending plans
- Provision of annual opening balance and quarterly statements



6. Decision making

When decisions are made, members of the Charitable Funds Committee must:

- Act within the legal responsibilities representing the corporate trustee.
- act in good faith, and only in UHL Charity's interests act within UHL Charity's purposes.
- act within committee/group powers as described in this governing document.
- ensure members are sufficiently informed, taking any advice if required.
- take account of all relevant factors and ignore any irrelevant factors.
- manage conflicts of interest (see below)
- reference the decision-making matrix provided for grant making decisions.

Decision making on 'exchequer' and 'charitable' spending:

There is a clear open, and independent process of decision making by the Charitable Funds Committee (and its delegates) to support decisions to apply charitable funds in a specific way:

- The charitable purpose of UHL Charity solely guides decision making on grant-funding.
- Decisions are made in the interests of UHL Charity to further its charitable objective/ purposes.
- An assessment of the public benefit is considered.
- An assessment of how far the Foundation Trust/NHS duty of provision extends.
- The scoring matrix is used as a core assessment tool and the threshold should be reached or exceeded.
- An appeals process enables rejected applications to be assessed independently.

7. Managing Conflicts of Interest

UHL Charity recognised that there are two common types of conflict of interest:

- **Financial conflicts:** These conflicts happen when a member representing the corporate trustee, or person or organisation connected to them, could gain financially or secure something of value from a committee decision.
- **Loyalty conflicts:** These conflicts happen when the representative might not be able to make decisions that are best for UHL Charity.

Declaring conflicts of interest.

- The Corporate trustee maintains and updates a register of interests of Board members, from whom members of the Charitable Funds Committee are selected. It also adopts the NHS Managing Conflicts of Interest Policy. The register of Board Members' interests is available to view here: [Board of Directors - Register of Interests :: University Hospitals of Liverpool NHS FT \(liverpoolft.nhs.uk\)](https://www.liverpoolft.nhs.uk/Board-of-Directors-Register-of-Interests)
- At Charitable Funds Committee, and its delegated Grant Making Committee and Small Grants Group, the chair asks attendees to identify, declare and record conflicts at the start of all meetings as a standard agenda item.

Managing conflicts of interest.

- At all times corporate trustee representatives/members of the Charitable Funds Committee or its delegated committees/groups will act in the best interest of UHL Charity
- As a minimum, the conflicted member should:
 - leave relevant discussions.
 - not take part in the decision or vote
 - not be counted in the quorum.

Recording conflicts of interest.

The Chair will instruct that the following are recorded:

- what the conflict was.
- who or what it affected.
- when it was declared
- how it was managed.

Managing serious conflicts of interest.

Serious conflicts may occur where the majority of the members have a conflict – this is especially relevant to NHS charities with a corporate trustee. This could include:

- the majority of members have a commercial interest in UHL Charity decision.
- the decision involves significant money or risk, and there is a conflict.

In these types of situations, the Charitable Funds committee will consider the following options:

- remove the conflict.
- change the plan.
- ask the corporate trustee to nominate an additional/replacement member that is not affected by the conflict.
- take legal advice.
- in very high-risk cases ask the Charity Commission to authorise the decision.

8. Funds held by UHL Charity²

UHL Charity holds three types of funds:

Restricted funds – these must be used for specific purposes such as:

- specifications by the donor(s) at the point of donation - including bequests.
- by the terms of a public appeal
- the terms of a grant
- endowment funds, permanent endowment, or expendable endowments

The Charity Commission specifies: *Funds should only be classified as 'restricted' if they are subject to trusts³ In practical and accounting terms the implication is that donations should be presumed to be unrestricted (and not subject to a 'trust') unless the donor places an*

² <https://www.charityscorp.org> Section 2 Fund accounting

³ section d s353 of the Charities Act 2011

unequivocal restriction on it, for example by saying it 'must be used' or 'can only be used' for a specified purpose or by giving to a specific appeal. For a particular donation to be treated as restricted requires positive evidence of restriction. In most cases trustees should make this classification only where there is written evidence of an intention to restrict, for example a will, a letter from a donor, terms of a grant, appeal literature.⁴

Note: Employees of the NHS Trust are not entitled to solicit funds for restricted purposes that they have themselves decided, for example to fund research that they are conducting. If a donor imposes such a restriction it will fall to the corporate trustee/Charitable Funds Committee to implement the restriction⁵

Unrestricted funds (General Purpose Fund/s)

These are funds which are given to UHL Charity (whether solicited or unsolicited) without any restrictions imposed by the donor or grant maker.

They could include proceeds of an appeal, *provided that a disclaimer to the effect that the appeal proceeds may be used for other purposes of UHL Charity in the event that the appeal purposes cannot be fulfilled.*

Unrestricted funds are the funds of a charity that may be spent at the discretion of the Charitable Funds Committee or its delegates, in furtherance of the objectives of UHL Charity in which the funds are held, without any distinction between capital and income.

Designated funds

The Charitable Funds Committee or its delegates may exercise discretion to set aside part of the unrestricted funds for designated purposes.

- Designation of funds may also be used where donors have expressed a preference without imposing a 'trust'.
- Designated funds remain unrestricted since the Charitable Funds Committee can remove the designation at any time.
- Designated funds continue to be held ultimately for the overall purpose of UHL Charity.

9. Details on financial accounting and statutory returns

The corporate trustee is responsible to ensure UHL Charity's:

- assets are properly used.
- funds are spent effectively.
- financial affairs are well managed.

⁴ Classifying funds Section 6.2 <https://www.gov.uk/government/publications/nhs-charities-guidance/nhs-charities-guidance>

⁵ Section b. The agency of staff in receiving donations [NHS charities guidance - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/publications/nhs-charities-guidance/nhs-charities-guidance)



The Charitable Funds Committee, under delegated authority from the corporate trustee, is responsible for grant making (according to charitable object and purpose), reviewing UHL Charity's financial position, its investment policy and performance and reviewing the reserves policy and status.

It also reviews statutory returns for presentation to the corporate trustee (the annual report, accounts and Charity Commission annual return.) It reviews all financial risks (risk register), appoints UHL Charity's auditor and authorises any internal audits.

As detailed in the cycle of business, a finance and investment update are a permanent agenda item. Grant making reports, according to delegated limits set out in this document, are received for assurance and grant applications beyond delegated limits are approved/returned by the committee. The risk register is received per cycle and any elevated or new risks are escalated as described in section 11.

10. Ethical, Sustainable Investing

The corporate trustee and its delegates are responsible for ensuring that UHL Charity's funds are invested in an ethical, sustainable manner and that the highest levels of corporate governance are observed.

An investment policy is in place and investment advisors are appointed by the Charitable Funds Committee. A regular investment update is received according to the cycle of business. Elements that the committee will consider when reviewing investments include impact on:

- climate
- employment practices
- sustainability
- human rights
- community impact
- executive compensation
- board accountability.

11. Managing risk

UHL Charity manages risk via a bespoke Charity risk register based upon the corporate trustee's organisational risk management system. This is supported by a bespoke risk management framework. Key elements include, but are not restricted to, significant risks to the delivery of UHL Charity's strategic objectives (see also Trustee Checklist in the appendices) e.g.

- current strategic plan and forward planning
- use of resources
- operating costs management
- reputational risks
- sustainability risks

- supervision of fundraisers
- delegated limits and decision making
- capacity and capability of inhouse fundraising team.
- safeguarding
- volunteer management.
- arrangements with commercial partners
- donor due diligence
- third party agreements
- counter fraud and crime.
- compliance with statutory obligations
- effectiveness of financial controls
- essential policies.

Overview and assurance:

- All risks are reviewed at UHL Charity Senior Management Team meetings.
- Risks 10+ are reported to Charitable Funds Committee meetings.
- Risks 12+ are also escalated to the Corporate Trustee via the CFC Chair's assurance report.

12. Policies

The following core policies are in place/in development at UHL Charity, which adopts the policies of the Corporate Trustee unless indicated.

- Safeguarding (adults/children)
- Volunteering (volunteer services)
- Complaints and Concerns
- Media and social media policy
- Managing VIP and Celebrity Visits
- Managing Conflicts of interest/ Anti-Fraud, bribery and corruption
- Reserves Policy – UHL Charity
- Investment policy - UHL Charity
- Income policy - UHL Charity
- Fundraising policy - UHL Charity
- Expenditure policy (Grant making) - UHL Charity
- Research policy.
- Privacy policy
- Equality Impact analysis
- Data Protection
- Whistleblowing
- Register of Corporate Trustee member interests
- Refusals, Refunds and Returns policy - UHL Charity
- Risk Management Framework – UHL Charity

13. Due Diligence, Monitoring and Verification of End Use⁶

The Charitable Funds Committee members and/or its delegates have effective processes in place to provide adequate assurances about the identity of donors, particularly substantial donors, and to verify this where it is reasonable and necessary to do so. This is embedded in UHL Charity fundraising/accounting practice (with the assistance of NHS Counter Fraud if required) and the teams ensure:

- they know who those individuals are.
- where the risks are high, appropriate checks are carried out.
- they are able to demonstrate that charitable funds have been used for the proper purposes for which they were intended.
- there is an audit trail showing the expenditure of funds by the applicant.
- the funds were received by the applicant and if the applicant forwarded those funds on, there is an audit trail to show this.
- the applicant has actually delivered the project and charitable work expected.
- UHL Charity's funds have been used for the purposes for which they were intended, and the beneficiaries identified by UHL Charity have benefitted.
- any concerns that need to be dealt with are identified.
- The terms of the Refunds, Refusals and Returns Policy are adhered to.

14. Closure or dissolution of UHL Charity

In the event that UHL Charity needs to be dissolved, the following apply/are in place:

1. **A ringfenced reserves fund** is held to cover winding up costs including operating costs including pay, non-pay, governance, insurance, professional fees and any redundancy payments if applicable.
2. **The ability to transfer the balance of funds to another charity** (or other charities) with objects that are the same or similar to UHL Charity's own, for the general purposes of the recipient charity (or charities); or to any charity for use for particular purposes which fall within UHL Charity's objects.
3. **The winding up decision must be recommended by the Charitable Funds Committee** to the Corporate Trustee for resolution.
4. **Prompt notification to the Charity Commission that UHL Charity has been dissolved** and submit UHL Charity's final accounts.

⁶ Charity Commission

Appendices

1. Terms of Reference
 - a) Charitable Funds Committee
 - b) Grant Making Panel
 - c) Small Grants Group
2. Essential Information for the Corporate Trustee and CFC
3. Trustee Checklist
4. Version control tracker

Liverpool University Hospitals NHS Foundation Trust Charitable Funds Committee – Terms of Reference

Authority/Constitution

1. The Committee is constituted as a standing committee of the Trust's Board of Directors. Its constitution and terms of reference shall be as set out below, subject to amendment at future Board of Directors' meetings.
2. The Committee is authorised by the Board to act within its terms of reference. All members of staff are directed to co-operate with any request made by the Committee.
3. The Committee is authorised by the Board of Directors to instruct professional advisors and request the attendance of individuals and authorities from outside the Trust with relevant experience and expertise if it considers this necessary or expedient to the carrying out of its functions.
4. The Committee is authorised to obtain such internal information as is necessary and expedient to the fulfilment of its functions.

Board of Directors

- Board of Trustees
- Approves Charitable Funds Committee terms of reference, Annual Report and Financial Statements

Charitable Funds Committee

- Ensures the requirements of the Charity Commission and other relevant regulatory and statutory frameworks are complied with
- Ensures charitable donations are administered efficiently and appropriately
- Approves grant applications of more than £50,000

Chief Finance Officer

- Treasurer to the Charitable Funds Committee
- Ensures management and accounting arrangements are compliant with legislation

Purpose

5. To ensure the requirements of the Charity Commission and other relevant regulatory and statutory frameworks are complied with and to ensure that charitable donations are administered efficiently and legally and directed promptly towards appropriate charitable activity in accordance with the donor's wishes
6. The Committee will ensure that risks relevant to the Committee's purpose are minimised through the application of the Trust's risk management system via UHL Charity's Risk Register. This will include but not be restricted to the consideration of significant risks to the delivery of the Trust's strategic objectives, through review and scrutiny of the relevant risks from the Board Assurance Framework (BAF) and the divisional/corporate risk registers requiring consideration in accordance with the risk management policy.

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Duties

7. In order to fulfil its role, the Committee will undertake the following:
 - Maintain and approve appropriate policy documents to ensure that the legal and administrative duties of the Corporate Trustee are met on behalf of the Board of Directors.
 - Monitor charitable funds, approve the creation of new funds within the umbrella fund and ensure a periodic review of existing funds takes place.
 - Ensure appropriate procedures are in place to control expenditure and ensure it is in accordance with the objectives of the funds.
 - Establish a strategy for charitable funds and, on the basis of professional advice, determine an investment policy within this strategy.
 - Review the Annual Report and Financial Statements and ensure consistency with the Charity Commission's Statement of Recommended Practice.
 - Receive the auditors' report on the Annual Report and Financial Statements and recommend their formal approval to the Board of Directors.
 - Oversee the administration of the Charity and ensure its spending is in accordance with the objectives set by the Board of Directors as Corporate Trustee and supports the delivery of the Trust's strategic priorities: Great Care; Great People; Great Research & Innovation; and Great Ambitions.
 - Ensure proactive management of the pipeline of funding applications and that the Charity's income does not accumulate unless there is a specific future use in mind.
 - Act in the best interests of the Charity and in such manner as meets the requirements of the Charity Commission.
 - Establish and maintain a charitable funds risk register.
 - Authorise charitable funds expenditure over £50,000.
 - Refer any matters of concern to the Trust's Board of Directors.
8. Whilst the Committee has been established by the Board of Directors to carry out specific functions as noted in this document, it is important to note that the Trust retains ultimate responsibility, via its Board of Directors, for discharging its duties and responsibilities as the Charity's Corporate Trustee. To that end, the Board of Directors has absolute discretion over the activities and decisions of the Committee.

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Membership

9. The Committee shall be composed of the following members:
 - a. Independent Chair of UHL Charity (Chair)
 - b. Non-Executive Director (nominated vice chair)
 - c. Non-Executive Director
 - d. Group Chief Finance Officer
 - e. Group Chief Nurse/Medical Director (shared membership)
 - f. Group Chief Communications and Marketing Officer
10. The following are required to attend and participate in the meetings of the Committee in a non-voting capacity:
 - a. Assistant Director of Finance (with responsibility for Charitable Funds)
 - b. Charity Senior Programme Manager
 - c. Chief People Officer
 - d. Director of Strategy
 - e. Divisional representative (at the request of the Committee)
 - f. Professional Investment Advisor/Manager (at the request of the Committee)
 - g. Internal or External Audit (at the request of the Committee)
11. The Committee will be deemed quorate when 3 out of 6 members including the Independent Chair (CFC chair) or CFC Vice Chair—are present (tele-conferencing will be permitted, if necessary).
12. Members of the Board of Directors to attend one meeting a year as a minimum ex-officio.
13. Other management or clinical staff may be co-opted or requested to attend for specific agenda items as necessary.

Requirements of Membership

14. Members of the Committee must attend at least 75% of all meetings each financial year but should aim to attend all scheduled meetings. Attendance at the Committee will be recorded and monitored.

Equality Diversity & Inclusion

15. In conducting its business, the Committee will at all times seek to promote its commitment to equality and diversity by the creation of an environment that is inclusive for both our workforce, patients and service users including those who have protected characteristics and vulnerable members of our community.

Reporting

Liverpool University Hospitals NHS Foundation Trust

16. The Independent Chair of UHL Charity will report to the Board of Directors after each meeting via an assurance report which will provide an overview of the discussions at the meeting, details of any matters in respect of which actions or improvements are needed and decisions taken.
17. The Independent Chair of UHL Charity will report annually to the Board of Directors in respect of the fulfilment of CFC its functions in connection with these terms of reference. This will include an evaluation of its performance according to a standardised framework and process.

Administration of Meetings

18. Meetings shall ordinarily be held quarterly with additional meetings held on an exceptional basis at the request of the Independent Chair.
19. The Director of Corporate Affairs/Company Secretary will make arrangements to ensure that the Committee is supported administratively. Duties in this respect will include taking minutes of the meeting and providing appropriate support to the Independent Chair and Committee members.
20. Agendas and papers will be circulated at least 5 working days (or 4 working days plus a weekend) in advance of the meeting.
21. Minutes will be circulated to Committee members as soon as is reasonably practicable.

Review

22. The Terms of Reference of the Charitable Funds Committee shall be reviewed by the Committee and submitted to the Board of Directors for review and approval at least annually.

**Liverpool University Hospital Charity
Grant Making Panel
Terms of Reference**

Authority/Constitution

The Grant Making Panel is constituted by the Charitable Funds Committee (CFC). Its terms of reference shall be as set out below, subject to amendment at future CFC meetings.

All members of staff are directed to cooperate with any request made by the Committee.

Purpose

To ensure the requirements of the Charitable Funds Committee are complied with to ensure that charitable funds applications are received, reviewed, assessed and approved/deferred/rejected in line with the assessment process.

Membership

- Assistant Director of Finance (Chair)
- Chair of Medical Board or nominated deputy.
- Chair of St Paul's Eye Research Foundation or nominated deputy.
- Head of Research and Innovation
- Head of Patient Experience
- Charity Senior Programme Manager
- Finance Manager – Charity
- Partnerships Fundraiser

In attendance

- Assistant Charity Accountant
- Other management or clinical staff as required at the request of the panel.

The panel will be deemed to be quorate when the Chair, at least one Head of Medical or Research or Innovation, the Charity Finance Manager and the Charity Senior Programme Manager OR their nominated deputies are present.

Duties

The Grant Making Panel will convene quarterly to:

- Receive charitable funds grant applications that are >£10K including VAT.
- Review and assess applications and make recommendations to the CFC for applications that exceed £50K inc. VAT.
- Reach consensus to approve/defer/decline applications based on the establishment matrix.
- Escalate any issues or concerns to the Charitable Funds Committee
- Review risk(s) associated with grant decisions and escalate if necessary.
- Act in the best interests of the Charity.

Liverpool University Hospitals NHS Foundation Trust

Delegated authority

The Grant Making Panel has delegated authority from the Charitable Funds Committee to approve funding applications up to £50K inc. VAT

Reporting

The decisions of all meetings of the Panel shall be formally recorded on an established template and submitted to the Charitable Funds Committee for assurance and/or escalation where required.

Administration of Meetings

Meetings shall ordinarily be held quarterly with additional meetings held on an exceptional basis at the request of the Chair and will be held either in-person or by electronic means.

All applications will be submitted to the Panel at least three working days before the meeting, together with the standard assessment matrix.

Decisions will be recorded and any escalations/additions to the Charity Risk Register submitted to the subsequent Charitable Funds Committee.

Review

The Terms of Reference of the Grant Making Panel will be reviewed at least annually.

Version Control Schedule

Date	Version no	Main changes proposed
22 nd April 24	2	Change membership – add: <ul style="list-style-type: none"> • Associate Director of Organisational Development • Chair of St Paul's Eye Research Foundation
15 Aug 24	3	Change membership: Remove: <ul style="list-style-type: none"> • Executive Managing Director (Aintree Hospital) and/or Executive Managing Director (Royal Hospital) or a nominated deputy • Head of Fundraising Add: <ul style="list-style-type: none"> • Charity Senior Programme Manager • Partnerships Fundraiser
9 Sept 24		<ul style="list-style-type: none"> • Add Head of Patient Experience • Change frequency of meetings

UHL Charity Small Grants Group Terms of Reference

Authority/Constitution

The Small Grants Group is constituted by the Charitable Funds Committee (CFC). Its terms of reference shall be as set out below, subject to amendment at future CFC meetings.

All members of staff are directed to cooperate with any request made by the Committee.

Purpose

The Small Grants Group meets monthly and is designed to quickly approve small applications which are more often patient experience related and therefore time sensitive. The SGG:

- Ensures the requirements of the Charitable Funds Committee are complied with to ensure that charitable funds applications are received, reviewed, assessed and approved/deferred/rejected in line with the assessment process.
- Has delegated authority from CFC to approve grant applications less than £10K inc. VAT.
- Provides assurance through a comprehensive small grants' outcomes report provided to the next available Charitable Funds Committee as per the cycle of business.

Membership

- Assistant Director of Finance – Chair
- Charity Senior Programme Manager
- Associate Director of Organisational Development
- Director of Fundraising – St Paul's
- Finance Manager – Charity
- Partnerships Fundraiser
- Head of Patient Experience

In attendance

- Assistant Charity Accountant
- Other management or clinical staff as required at the request of the Group.

The panel will be deemed to be quorate when the Chair, the Charity Finance Manager and the Head of Fundraising OR their nominated deputies are present.

Duties

The Small Grants Group will convene bi-monthly to:

- Receive charitable funds grant applications that are up to £10K including VAT.
- Reach consensus to approve/defer/decline applications based on the establishment matrix.
- Escalate any issues or concerns to the Charitable Funds Committee

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- Review risk(s) associated with grant decisions and escalate if necessary.
- Act in the best interests of the Charity.

Delegated authority

The Small Grants Group has delegated authority from the Charitable Funds Committee to approve funding applications up to £10K inc. VAT

Reporting

The decisions of all meetings of the Group shall be formally recorded on an established template and submitted to the Charitable Funds Committee for assurance and/or escalation where required.

Administration of Meetings

Meetings shall ordinarily be held bi-monthly with additional meetings held on an exceptional basis at the request of the Chair and will be held either in-person or by electronic means.

All applications will be submitted to the Group at least three working days before the meeting, together with the standard assessment matrix.

Decisions will be recorded and any escalations/additions to the Charity Risk Register submitted to the subsequent Charitable Funds Committee.

Review

The Terms of Reference of the Small Grants Group will be reviewed at least annually.

Version Control Schedule

Date	Version no	Main changes proposed	Date approved
22 nd April 24	2	Change membership – add: <ul style="list-style-type: none"> • Associate Director of Organisational Development • Director of Fundraising – St Paul's 	22 nd April SGG
15 th August 24	3	Change membership: <ul style="list-style-type: none"> • Remove Head of Fundraising and replace with Charity Senior Programme Manager • Add Partnerships Fundraiser • Add Head of Patient Experience 	
9 th Sept 24	4	Change frequency of meetings to bi-monthly	

Essential Information for the Corporate Trustee and Charitable Funds Committee Members⁷

- ✓ UHL Charity's objects/purposes as set out in its governing document.
- ✓ UHL Charity's aims and objectives.
- ✓ Assurance that all of UHL Charity's activities further or support its purposes.
- ✓ The extent to which UHL Charity benefits the public by carrying out its purposes.
- ✓ Evaluation of the charitable funds committee effectiveness
- ✓ Annual cycle of business in place including accounts, reports, presentations, applications and other materials
- ✓ Periodic skills, knowledge and experience evaluation of the Charitable Funds Committee members
- ✓ Communications plan for those with an interest in UHL charity - donors, supporters, beneficiaries, partners, staff and volunteers.
- ✓ Sufficient oversight and knowledge of the activities of external people and organisations acting on UHL Charity's behalf.
- ✓ Access to any required guidance/advice to ensure decisions are made in the best interests of UHL charity and its beneficiaries.
- ✓ Management of conflicts of interests
- ✓ Management of risk
- ✓ Assurance on the safeguarding process and policy.

See also: The Essential Trustee – Charity Commission⁸

⁷ [Charity governance, finance and resilience: 15 questions trustees should ask - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/publications/charity-governance-finance-and-resilience-15-questions-trustees-should-ask)

⁸ [The essential trustee: what you need to know, what you need to do - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/publications/the-essential-trustee-what-you-need-to-know-what-you-need-to-do)

Trustee Checklist

In June 2016 the Charities Commission issued new guidance for Charity Trustee Duties.

This checklist is designed to help CFC evaluate the Charity's performance at suitable intervals against the legal requirements and good practice recommendations set out in the guidance. The Charities Commission sets out six key guiding principles for Trustees in its 2016 Guidance. These are:

1. Planning effectively
2. Supervising our fundraisers
3. Protecting our charity's reputation, money and other assets
4. Identifying and ensuring compliance with the laws or regulations that apply specifically to our charity's fundraising.
5. Identifying and following any recognised standards that apply to our charity's fundraising.
6. Being open and accountable.

The Checklist has been RAG rated and is reviewed bi-annually, the responsible officer is the Group Chief Communications and Marketing Officer.

Guidance	Current status	Mitigations/actions/notes
1. Planning effectively	RAG	
We have set out our fundraising plan		<ul style="list-style-type: none"> • 2025-2030 Strategy to be presented to CFC June 2025 for approval. KPIs will be assigned for assurance reporting to CFC. • We continue to review our Strategy periodically in line with changing trends in charitable giving.
It reflects our charity's values		<ul style="list-style-type: none"> • UHL Charity adopts the values of the Corporate Trustee of caring, fair and innovative.
The resources we use and the costs we incur in our fundraising		<ul style="list-style-type: none"> • UHL Charity operating costs are set at the beginning of each financial year and are subject to scrutiny at each CFC meeting as part of the Finance and Investment Report • The new Strategy has identified ambition to systematically improve cost/income ratio to ensure that donated funds are used in majority for patient benefit • Income and expenditure (actual and forecast) are scrutinised and challenged at each CFC. • A revised reserves policy was adopted in March 2024.
The key financial and reputational risks we may face		This has been identified in the Risk Management Statement approved in 2024. All UHL Charity risks are now managed through the bespoke charity risk register which is received by CFC twice yearly.
We monitor progress		A fundraising activity and financial report is reviewed by the CFC at each meeting
We manage key risks		The key risks are reviewed bi-annually with new or escalated risks reported in the Fundraising assurance report.

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2: Supervising our Fundraisers.		
We have considered and decided which fundraising issues we will not delegate		Our Fundraising team is directly accountable to and line-managed by a member of the executive team
Our fundraising staff have job descriptions		One of the two aged job descriptions has been refreshed and is going through the HR process for implementation. The other is in the progress of being refreshed to reflect current roles.
Our fundraising staff are doing the job successfully		<ul style="list-style-type: none"> ▪ PDRs completed annually. – Will be green following the current round of PDR's ▪ Monthly 1:1s with line managers and informal catch ups in between meetings. ▪ Specific income stream targets now set for the 2025-26 year
Our volunteers know who they report to and who to approach with problems or concerns		UHLG Volunteers have responsibility for all volunteers. We are seeking a number of new roles to be deployed to UHL Charity and will be supervised by the Community Fundraiser - Challenges in relation to accommodation for staff and volunteers remain
Our volunteers understand the boundaries within which they must work when representing the charity		UHLG Volunteers receive Trust induction and on deployment to UHL Charity will be supervised at all times.
Our subsidiary trading company is monitored for effectiveness and only enters into commercial partners in the charity's best interest		
Our arrangements with commercial providers fully comply with relevant legal requirements		We undertake all procurement through the Corporate Trustee and ensure through contract that all legal requirements are met and maintained
Are in our charity's best interest because appropriate due diligence is undertaken		We procure and seek support for due diligence using the Corporate Trustee's procurement team.
Our fundraising values and expectations are communicated		These are agreed upon contract
The costs are justifiable and can be explained		All expenditure is budgeted annually, and exceptions are reviewed by the Budget Holder and reported through the Finance Report
Proper control is kept of the money raised		<ul style="list-style-type: none"> • All monies are routed into the UHL Charity bank account, no other methodology is permitted. • Staff training and awareness on the correct processing of charitable donations has been completed and new funds and income codes communicated.
Fundraising communications used are reviewed		All communications are approved by the Partnerships Fundraising Manager and/or Snr Programme Manager and/or Chief Communications and Marketing Officer
Compliance with the agreement is monitored		Compliance is monitored following contract

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Any conflicts of interest are recognised and dealt with		The Corporate Trustee has a Managing Conflicts of Interest Policy which has been adopted by UHL Charity and is noted in the Governing Document.
3: Protecting our charity's reputation, money and other assets.		
The reputational risks our charity may face are identified, assessed and managed		Reputational risks have been identified in our Risk Management Framework.
Likely donor, supporter and public perception is considered when income expectations and other goals are considered.		<ul style="list-style-type: none"> ▪ The Refunds, Returns and Refusals Policy sets out the parameters for accepting or refusing donations. ▪ The grant application process is specific that impact reports are required in return for funding.
The legal rules and recognised standards which apply to our fundraising are followed.		We follow the Code of Fundraising Practice, the Chartered Institute of Fundraising and NHS Charities Together guidance. We are registered with the Fundraising Regulator and registered with and regulated by the Charities Commission
Our values are communicated to the people who work on our fundraising.		All UHL staff adopt and practice the values of the Corporate Trustee, they and the public are further briefed on the aims and objectives of UHL Charity and are guided on how to proceed with fundraising initiatives on a personal/team/company level.
The costs of our fundraising are managed and explained		<ul style="list-style-type: none"> ▪ We control our costs through annual budget setting ▪ We review our costs at each CFC meeting
Our fundraising finance is planned and monitored		We have an annual budget in place, reviewed at each CFC meeting.
Effective financial controls are in place and followed		The Charity Finance Team monitor all expenditure
Risks of financial crime and fraud are reduced		UHL Charity provides a letter of authorisation to every fundraiser who is requested to sign acceptance of the 'contract' between us.
Our charity is alerted to any suspicious donations		<ul style="list-style-type: none"> • Our Charity Finance Team review all bank statements and incoming direct funds • Provenance of all cheque and cash donations is tracked through the donor journey and recorded via Raiser's Edge, with a receipt and thank you letter posted out to the donor.
our charity can stop or authorise any unauthorised fundraising activity using its name		<ul style="list-style-type: none"> • We use a letter of authorisation to authorise fundraisers to raise funds on our behalf. • We would alert the police to any suspicious activity undertaken in our name.
Serious incidents are reported to the Commission, police and other agencies		<ul style="list-style-type: none"> • NHS Protect may also be contacted where NHS Employees or their families are involved.
Our data, name, image, logo and IP are protected		<ul style="list-style-type: none"> • We do not issue our logo independently for 3rd party use • We use letters of authorisation for 3rd party fundraisers • We provide our own branded materials for support

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		<ul style="list-style-type: none"> Our intellectual property is currently under review as part of a wider initiative into funded programmes. Work underway with R&I department to draft a contract for inclusion in our grant awards in relation to Intellectual Property
4 and 5. Following the Law and recognised standards		
the Code of Fundraising Practice and other resources are used to find out about the legal rules and recognised standards which apply to our fundraising		We follow the Code of Fundraising Practice, Institute of Fundraising, and NHS Charities Together guidance. We are registered with the Fundraising Regulator.
These rules and standards are followed		We follow the Code of Fundraising Practice, Institute of Fundraising and NHS Charities Together guidance
6: Be Open and Accountable		
Any legal rules and requirements that apply to how our charity reports and accounts for its fundraising are complied with		We are audited periodically and produce an annual report and accounts each winter.
Our open and accessible complaints procedures are followed if concerns are raised		<ul style="list-style-type: none"> In the first instance complaints should be raised to the Partnerships Fundraising Manager. The Charity will make this process clear via its new website.
Our fundraising aims, and achievements are clearly communicated to the public and donors/supporters		<p>Our new website will be maintained and updated regularly.</p> <p>Our social media platforms will be updated regularly.</p>

LIVERPOOL UNIVERSITY HOSPITALS NHS FOUNDATION TRUST

CHARITABLE INVESTMENT MANAGEMENT GUIDELINES

1.1 INVESTMENT OBJECTIVES

- 1.1 To maximise total return through a diversified portfolio to an acceptable level of risk, assets should be invested in a diversified portfolio which does not have excessive exposure to any specific sector or industry. The portfolio should take into consideration ethical, health and sustainability issues relevant to the Trust.
- 1.2 The portfolio should be in compliance with the Trust's investment powers as interpreted by the Trustee and in accordance with the strategy agreed with the Trustee from time to time. In due course, the Trustee may amend the objectives and strategy.

1.2 INVESTMENT PORTFOLIO

- 1.2.1 The Charity's investment portfolio is administered by a professional Investment Management firm on a discretionary basis and the management of the portfolio is delegated to the Charitable Funds Committee. The administration of the portfolio is put out to tender every 5 years.
- 1.2.2 The Trustee has determined that the objective of holding the investment portfolio is to secure a long term total return on investments.
- 1.2.3 The total return target is CPI +4% over the long term
- 1.2.3 In order to discharge its duties appropriately, the Trustee has approved the following Statement of Policy which the contracted Investment Management firm must adhere to.

1.3 STATEMENT OF POLICY

- a) The prime investment objective will be to maximise financial returns within the context of achieving a maximum total growth between "Income Yield" and "Capital Growth".
- b) The portfolio will be invested in a diversified multi-asset class portfolio and may invest in the following asset classes:
- Cash or near cash instruments, including Money Market Funds
 - Fixed Income Investments: Government, Supranational and Corporate (individual bonds should not have a credit rating lower than BBB)
 - UK Government securities, International sovereign securities & supranational bonds
 - Listed Equities: UK & Global
 - Structured Notes
 - Collective Investment Funds
 - Exchange Traded Funds (ETF)

- Infrastructure
 - Commodities
 - Real Estate
 - Alternative Investments
 - Diversifiers
- c) The Trustee has defined the overall level of risk in the portfolio as moderate. This means that while individual investments may carry higher or lower levels of risk, a balanced approach to risk is required.
- d) It is intended that the maximum value of one equity holding will not materially exceed 7.5% of the total equity value within the portfolio.
- e) It is intended that the maximum value of one Collective investment fund or ETF will not materially exceed 10% of the total equity value within the portfolio.
- f) The portfolio should be diversified by asset class, geography and sector.
- g) Speculative or hazardous investments will not be made. These include futures, options and contracts for differences; including Contingent Liability Transactions, as these investments carry excessive risk.
- h) The following trading arrangements will not be entered into:
- a. Trading "adventures".
 - b. Collective Investment Schemes which are not regulated Collective Investment Schemes including Schemes operated by us or Associates
- i) Careful consideration will be given to any ethical, health and sustainability issues arising in respect of investments. Where it is felt that an investment is in conflict with the Charity's objectives and/or Government policies, no investment will be made (Please refer to Ethical Investment Policy)
- j) As a minimum requirement, portfolio valuations will be presented to Charitable Funds Committee meeting's twice a year. (The Committee is able to informally access ad-hoc on-line valuations basis based upon the previous working day's closing position, and also receive quarterly valuation reports.)
- k) Any investment which is not immediately realisable (within 10 days) requires approval from the Charitable Funds Committee. These should be minimised and only approved where there are significant benefits and minimal risk of requiring these funds prior to realisation.

1.4 PERFORMANCE AND STRATEGY REVIEW

- 1.4.1 The Charitable Funds Committee will review the portfolio at each Committee meeting and receive a performance presentation from the Investment Management firm on an annual basis, as a minimum.
- 1.4.2 The performance of the portfolio(s) will be evaluated against a suitable benchmark measure approved by the Trustee.

Long Term Target: CPI +4%

- 1.4.3 On an annual basis, the Charitable Funds Committee will review a three year income and expenditure plan in order that short, medium and long-term investment objectives can be determined.
- 1.4.4 Charity investment objectives and portfolio strategy will be reviewed annually and at any time that the Charitable Funds Committee deem it appropriate. However, amendments to the investment strategy must be approved the Board of Directors, as the Corporate Trustee.
- 1.4.5 Where it is considered that funds are likely to be spent within the next six months, they should not be made available for investment within the portfolio.
- 1.4.6 The issues on which the Chief Finance Officer shall be required to provide advice to the Charitable Funds Committee shall include:
- the formulation of investment policy which meets statutory requirements and Department of Health guidance with regard to income generation and the enhancement of capital value; and which complies with any restrictions on investment choice contained within any relevant charitable deeds;
 - the appointment of advisers, brokers and, where appropriate, investment fund managers and: -
 - the Chief Finance Officer shall recommend the terms of such appointments; and for which written agreements shall be signed by the Chief Executive;
 - pooling of investment resources and the preparation of a submission to the Charity Commission for them to make a scheme;
 - the participation by the Trust in common investment funds and the agreement of terms of entry.

Review

This policy will be reviewed on an annual basis.

LIVERPOOL UNIVERSITY HOSPITALS NHS FOUNDATION TRUST

CHARITABLE ETHICAL INVESTMENT GUIDELINES

1.5 ETHICAL & SUSTAINABILITY OBJECTIVES

- 1.3 The purpose of this document is to set out how we wish for the investment portfolios to be managed in accordance with the values of the Trust. The Trust wish for the portfolio to reflect the values and ethics of the Charity.

1.6 ETHICAL RESTRICTIONS

- 1.6.1 The trust wish for the portfolio to exclude direct holdings in certain sectors – below is the list of direct holding exclusions, their definitions and thresholds.

Alcohol:

All companies deriving 5% or more revenue from the production of alcohol-related products, or those deriving 15% or more aggregate revenue from the production, distribution, retail and supply of alcohol-related products.

Gambling:

All companies deriving 5% or more revenue from ownership of operation of gambling-related business activities, or those deriving 15% or more aggregate revenue from gambling-related business activities.

Tobacco:

All companies classified as a "Producer", or those that derive 5% or more aggregate revenue from the production, distribution, retail and supply of tobacco-related products.

Adult Entertainment:

All companies deriving 5% or more revenue from the production of adult entertainment materials, or those deriving 15% or more aggregate revenue from the production, distribution and retail of adult entertainment.

Armaments:

Conventional Weapons: All companies deriving 5% or more from the production of conventional weapons, or those that derive 15% or more aggregate revenue from weapons systems, components, and support systems and services. **Nuclear Weapons:** All companies that manufacture nuclear warheads or missiles, components, or delivery platforms for use in nuclear weapons. **Controversial Weapons:**

All companies with any ties to controversial weapons, including companies involved in the manufacturer and production of cluster munitions, landmines, depleted uranium manufacturer, biological and chemical.

Civilian Firearms: All companies classified as a "Producer", or those that derive 5% or more revenue from the distribution of civilian firearms.

Fossil Fuels:

Any investment in fossil fuels should be done on a best of sector basis from an environmental perspective. This will include all companies that have proven and probable coal reserves and/or oil and natural gas reserves used for energy purposes. Reserves are considered to be used for energy purposes in the case of companies with the following Global Industry-Classification Standard (GICS) classification:

(a) Oil, Gas and Consumable Fuels Industry (b) Energy Equipment and Services Industry (c) Utilities Sector (d) Diversified Metals and Mining Sub-Industry.

1.7 ENVIRONMENTAL, SOCIAL & GOVERNANCE

- 1.7.1 The Trust requires the portfolio manager to consider Environmental, Social and Governance (ESG) factors when constructing the portfolio and making investment decisions.
- 1.7.2 The manager shall vote and engage with the underlying companies to promote best practice and long-term sustainability.
- 1.7.3 The manager shall provide, upon request, reports on ESG, Voting & Engagement relevant to our investment portfolio.

1.8 UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (UN SDGs)

- 1.8.1 The portfolio will be invested in a globally diversified multi-asset class portfolio, subject to the ethical restrictions outlined above and consideration of ESG factors. The trust is keen to maximise risk-adjusted return on the investments and where possible have a positive influence on the world.
- 1.8.2 To this end, the portfolio manager is required to consider the 17 UN SDGs when making an investment decision. How a company is seeking to address at least one of these goals and supporting the aims of the UN SDGs.

1.5 REVIEW

- 1.5.1 This policy will be reviewed on an annual basis.

LIVERPOOL UNIVERSITY HOSPITALS NHS CHARITABLE FUND

England & Wales - Charity number 1047988

Accounts



Liverpool University Hospitals NHS Charitable Fund

Registered Charity Number 1047988

ANNUAL REPORT & FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

**Royal Liverpool University Hospital
Prescot Street
Liverpool
L7 8XP**

Liverpool University Hospital NHS Charitable Fund

**ANNUAL REPORT
& FINANCIAL STATEMENTS 2023/2024**

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LIVERPOOL UNIVERSITY HOSPITALS NHS CHARITABLE FUND

Registered Charity No 1047988

ANNUAL ACCOUNTS 2023-24

The Trustee presents the accounts of the funds held on trust by the Liverpool University Hospitals NHS Foundation Trust.

FOREWORD

These financial statements have been prepared by the Trustee in accordance with the Charities Act 2011 and the Charities Statement of Recommended Practice (SORP) (FRS 102) 2019.

STATUTORY BACKGROUND

The NHS Trust is the corporate trustee of the funds held on trust under paragraph 16c of Schedule 2 of the NHS and Community Care Act 1990. Royal Liverpool and Broadgreen University Hospitals NHS Trust dissolved on the 30th September 2019, joining with Aintree University Hospital NHS Foundation Trust to become a combined organisation named Liverpool University Hospitals NHS Foundation Trust from 1st October 2019.

MAIN PURPOSE OF THE FUNDS HELD ON TRUST

The main purpose of the charitable funds held on trust is to apply income for any charitable purpose relating to the National Health Service wholly or mainly for the services provided by the Liverpool University Hospitals NHS Foundation Trust.

LIVERPOOL UNIVERSITY HOSPITALS NHS CHARITABLE FUND

STATEMENT OF TRUSTEE'S RESPONSIBILITIES

The Trustee is responsible for preparing the Trustees' Annual report and the financial statements in accordance with applicable laws and regulations.

The Charities Act 2011 requires the trustee to prepare financial statements for each financial year. The trustee has to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. The trustee must not approve the financial statements unless it is satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period.

In preparing these financial statements, the Corporate Trustee is required to:

- select suitable accounting policies and 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 to operate.

The trustee is responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and 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. The Trustee confirms that it has met the responsibilities set out above and complied with the requirements for preparing the accounts. The financial statements set out on pages 25 to 42 attached have been compiled from and are in accordance with the financial records maintained by the Trustee.

The 2023/24 Annual Report & Accounts have been approved by the Trust Board, at a meeting held on 28th November 2024.

By Order of the Trustee

Signed:

Chair 

Dated 28/11/24

Financial Trustee 

Dated 28/11/24

CHARITABLE FUNDS

TRUSTEE REPORT

Introduction

It is with pleasure that the Trust presents the twenty-eighth annual report for the Charitable Funds of the Liverpool University Hospitals NHS Foundation Trust.

The Trust is the sole corporate trustee for all charitable funds registered under the name of the Liverpool University Hospitals NHS Charitable Fund, the **main** charity of the Trust.

The **main** charity is the charity that has been created with purposes wide enough for all other charities administered by its Trustee to be recorded as **special trusts** in an *umbrella* registration arrangement.

This report and financial statements have been prepared in accordance with the requirements of applicable law and SORP (FRS 102).

Legal and Administrative Details

In June 1995, the Charity Commission issued an Umbrella Charity Registration Number, under which all the individual charitable funds administered by the Trustee have been recorded as special trusts. The umbrella charitable fund is held upon trust for “any charitable purpose or purposes relating to the National Health Service”. Special trusts are funds (or property) held on separate trusts, on behalf of the charity, for any special purposes of that charity. These funds are referred to as restricted funds where the donor has imposed a restriction on how or where or when the Trustee can apply the funds. A schedule of the special trusts is appended (Appendix A).

The Liverpool University Hospitals NHS Foundation Trust is the Corporate Trustee of the Charitable Funds governed by the law applicable to Trusts, principally the Trustee Act 2000 and also the Charities Act 2011, the SORP (FRS 102) and the Trust Deed.

The **registered charity number** of the Liverpool University Hospitals NHS Charitable Fund is **1047988**. The Registered address is:

Royal Liverpool University Hospital
Prescot Street
Liverpool L7 8XP

The corporate trustee of Liverpool University Hospitals NHS Foundation Trust also oversaw a second NHS charity, The Aintree University Hospital Charitable Fund (charity registration number 1050542) but this was closed in March 2024.

The charity is administered by the **Charitable Funds Committee**, which consists of executive and non-executive directors of the Trust, on behalf of the Trust Board. The committee meets

bi-monthly to set and monitor administrative policy and consider spending applications. Membership of the Charitable Funds committee is decided by the Trust Board as vacancies arise. Executive members of the Trust Board are subject to recruitment by the Board whereas Non-Executive members are appointed by NHS England. Members of the Trust Board and the Charitable Funds Committee are not individual trustees under Charity Law but act as agents on behalf of the Corporate Trustee. New Charitable Funds Committee members are provided with induction literature that includes the committee's terms of reference; Trustee's Annual report and Accounts; previous committee minutes and the Charity Commission booklet CC3, *the Essential Trustee*.

During 2023/24 the Charitable Funds Committee comprised of:

Mr Ibrahim Ismail	Non-Executive Director (Committee Chair)
Mr David Gilbert	Non-Executive Director
Mr Eustace de Sousa	Non-Executive Director
Mr Chris Mawdsley	Director of Communications & Marketing
Mr Robert Forster	Deputy Chief Executive & Chief Finance Officer
Mr David Melia	Chief Nurse
Mr Jim Gardner	Medical Director

The Trust's charitable funds are held distinct from the exchequer funds of the Liverpool University Hospitals NHS Foundation Trust. The charity's bank accounts are held at:

NatWest 2 nd Floor 280 Bishopsgate London EC2M 4RB	and	Barclays Bank plc 48B/50 Lord Street Liverpool L2 1TD
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The charitable funds investments are held by Bankers Trust, as nominee for the Trustee. The investments are managed on behalf of the charity by the following two investment managers:

Rathbone Investment Management Ltd	Port of Liverpool Building, Pier Head, Liverpool L3 1NW
Barclays Private Bank	1 Churchill Place, London E14 5HP

Two further investment managers are no longer engaged with the charity but did manage investments in the first half of 2023/24:

UBS AG

5 Broadgate, London EC2M 2AN

Investec Wealth &
Investment Ltd

100 Old Hall Street, Liverpool L3 (AB

Legal advice is provided to the Trustee by:

Hill Dickinson Solicitors
No 1 St Paul's Square
Liverpool L3 9SJ

The Trustee responsibilities, which include the maintenance of financial records appropriate to the activities of the funds; the establishment and monitoring of a system of internal control; safeguarding the assets of the funds held on trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities; are subject to "internal audit" verification by:

Mersey Internal Audit Agency
Regatta Place
Brunswick Business Park
Summers Road
Liverpool L3 4BL

The appointed auditors are.

Bennett Brooks & Co Limited
St George's Court
Winnington Avenue
Northwich CW8 4EE

Charitable Objects and Purpose

The Charity's umbrella fund has NHS wide objectives 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.

Object: Donations received by the Charity may be expended on 'any **charitable** purpose or purposes relating to the National Health Service wholly or mainly for the service provided by University Hospitals of Liverpool NHS Foundation Trust.'

The Charitable Purpose of the Charity was refreshed on 11th January 2024 to provide greater clarity to donors and support decision making when grant funding:

To support high quality patient care and staff health and wellbeing **beyond that which the NHS provides** by generating charitable income to:

1. Improve the **care environment and patients' experience**.
2. Provide **medical equipment/systems** that are in addition to minimum standards required of the service.
3. Fund **research, innovation and education programmes** that directly contribute to the care of our patients.
4. Fund specific **staff and volunteer health and wellbeing** projects.

Annual Report and Accounts

Incoming resources to the Trust's charitable funds totalled £1,323,000 for the year ended 31 March 2024, a fall of £1,472,000 on the previous twelve months total of £2,795,000. However, this included net assets of £99,000 transferred over from the Aintree University Hospital charity and so the actual comparable drop in income was £1,573,000 from last year. This was due to donations falling by £155,000 to £625,000 in 2023/24 and legacy income falling by £393,000 to £339,000 in 2023/24.

Included within these figures are: -

- a) Corporate donations of £248,000 the largest of which included:
 - i) £100,000 grant from Baker Tilly for Ophthalmic equipment.
 - ii) £35,000 from Sutcliffe's from organising a fundraising Ball for the charity (total income generated from the ball was £50,000).
 - iii) £20,000 from DSM Demolitions as lead sponsor of the 2023 LUHFT staff awards.
 - iv) £14,000 from the Police and Crime Commissioners for the Knifesavers Appeal

- b) Donations from individuals amounted to £377,000.

The trust's donated income policy, which prescribes how donations should be collected and recorded, is shown in Appendix B (section 2).

Legacies from four bequests were received totalling £148,000. A further nine legacies totalling £191,000 were also notified and accounted for in the year ended 31st March 2024. The largest single bequests being:

- i) £125,000 notified from the estate of Dorothe Smith (deceased).
- ii) £124,000 received & notified from the estate of Vera Alden (deceased).
- iii) £23,000 notified from the estate of Arthur Morris Woodhead (deceased).

The total legacies accounted for during 2023/24 amounted to £339,000, a decrease of £393,000 on the previous year's figure of £732,000.

Investment income totalling £259,000 was earned during the year, a fall of £64,000 on the previous year's figure of £322,000. Dividends from equity stocks and gilts provided £201,000, and £58,000 was earned from interest on cash balances held (£20,000 in 2022/23).

Fundraising

We raise money for the many charitable funds across the Trust and the focus in 2023/24 was to support various initiatives throughout the organisation.

The Charity makes use of fundraisers employed by the Liverpool University Hospitals NHS Foundation Trust, and subject to control and supervision by the Hospital Trust. There were no complaints received about the fundraising activity undertaken during 2023/24.

As always, we are extremely grateful to the individuals and groups who fundraise for our charity and provide any other support.

The charity also continues to support fundraising for the Foundation for the Prevention of Blindness Fund research charity.

Expenditure

Direct charitable expenditure for the year was £3,339,000 an increase of £1,350,000 on 2022/23 spend of £1,989,000. Expenditure accounted for in 2023/24 included contributions to Staff Welfare and Amenities of £531,000; Research and Education grants totalling £699,000; Patient Welfare & Amenities totalling £1,826,000 and grants of £283,000 were provided for NHS Capital projects.

Support costs attributable to the grants of £59,000 brought the total grants figure to £3,398,000. A further £428,000 (including £47,000 support costs) was incurred in the costs of generating funds for the charity, comprising £353,000 spent on generating voluntary income and £75,000 on investment management costs.

Major grants awarded during 2023/24 included: -

- a) £1,010,000 supporting Macmillan Cancer services throughout the organisation.
- b) £548,000 on consumables for leading edge robotic surgery.
- c) £288,000 to develop a Data Eye digital platform for ophthalmic research.
- d) £250,000 to support equality, diversity and inequality programmes for staff throughout the organisation.
- e) £231,000 supporting end of life services through the introduction of SWAN initiative programmes.

The expenditure invested by the charity in supporting the services provided by the Hospital Trust has had a positive impact on the quality of care that the Trust is able to provide to its patients and stakeholders not only currently, but also in the future, meeting the overriding aims of the charity.

Governance costs, the central running costs of the charity that are not apportioned out as support costs, totalled £78,000. This included salary costs of £46,000; Audit fees of £19,000, and establishment/other expenses of £13,000. This was an overall fall of £1,000 on last year's governance costs of £79,000, primarily due to a drop in establishment costs.

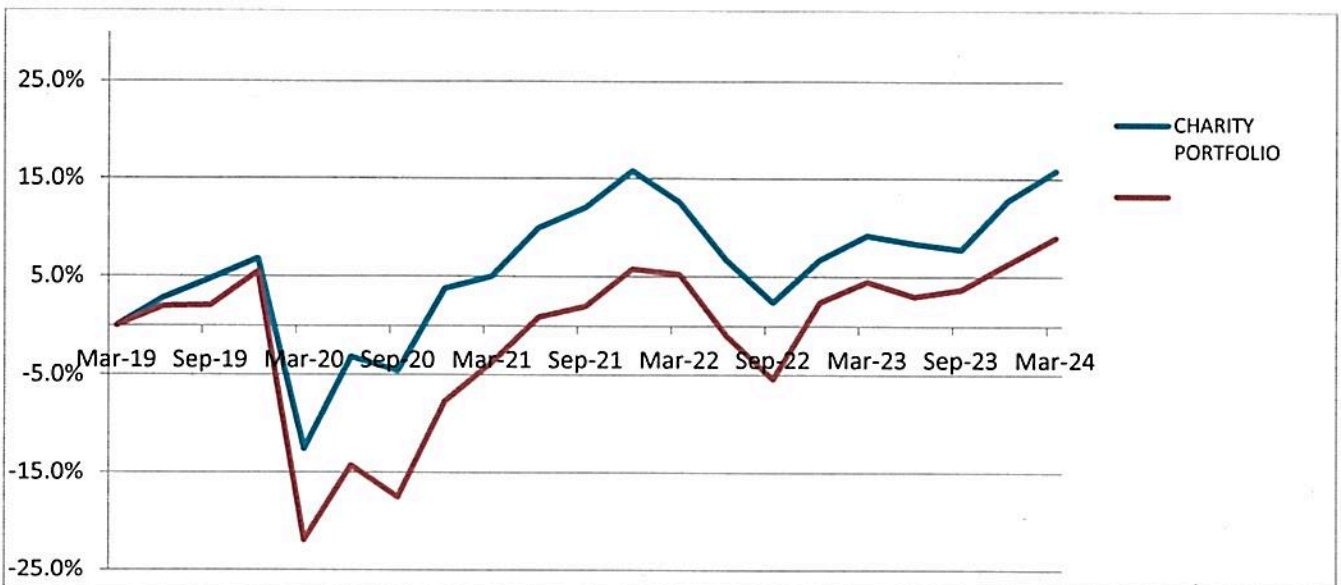
The overall charity spend in 2023/24 was consequently £3,904,000 in total (£2,541,000 in 2022/23).

Gains/(losses) on Investment Assets

At the start of the 2023/24 financial year (1st April 2023), the market value of the investment portfolio stood at £10,159,000. Investment holdings totalling £6,655,000 were acquired during the year, while investment holdings with a carrying value of £7,564,000 were disposed of during the period. The portfolio saw a rise in valuation during 2023/24, with an overall investment increase of £671,000 in the financial year following a loss of £343,000 in 2022/23. This rise during 2023/24 equates to a +6.6% increase in the value of the portfolio, this is a solid performance in comparison to the UK markets, with the FTSE All-SHARE up +4.33% over the same 12-month period, and the FTSE-100 up +4.20%. It should be noted that the portfolio does have US exposure, and the US investment markets saw significant gains during 2023/24, with the Dow Jones index up +19.6%. The financial year ended with a closing balance as at 31st March 2024 of £9,921,000, down by £238,000 from the beginning of the financial year, as there was a significant amount of net cash withdrawals from out of the portfolios (£909,000) to meet expenditure commitments.

Realised profits/(losses) on sales; unrealised market revaluations and earned income on investments were apportioned to individual funds on a quarterly basis throughout the year. Below is a graphical representation highlighting the rise and fall of the portfolio over the last five years against the FTSE-All Share index, from the end of 2018/19 (31st March 2019) to the end of 2023/24 (31st March 2024):

Table 1: Five-year Investment performance of Charity portfolio vs FTSE-All Share index



In relative terms, the portfolio has increased by 15.9% since 31st March 2019, with a strong rebound in 2020 and 2021 following covid related falls in early 2020. This growth also equates to a significant over performance against the FTSE-All Share index, which has risen just 9.0% over the same five-year period.

The investment portfolio also generated dividend returns of £201,000 in 2023/24 (£302,000 in 2022/23).

The investment guidelines operated by the Charitable Funds Investment Committee are shown in Appendix B & C.

Individual fund investment as part of the Investment Pool is reassessed each quarter end. The aim is to maximise the potential for investment returns taking into account the short-term spending patterns of each fund. The Charitable Funds Investment Committee measure the performance of the investment managers on a total return basis against certain benchmarks, including long term target of CPI +4%.

Balance Sheet

The total net assets of the Trust's Charitable Funds as of 31st March 2024 were £6,542,000, a drop of £1,910,000 on the previous year's balance of £8,452,000. Overall resources expended through charitable grants and administration were £2,581,000 higher than income received, but the rise in investments of £671,000 reduced the net movement down.

The charity's total net assets comprised: -

- a) total fixed assets of £9,921,000 solely representing the value of the investment portfolio as at 31st March 2024.
- b) total current assets of £1,118,000 including:
 - i) stocks of £1,000 in respect of fundraising activities, which have been valued at cost.
 - ii) debtors of £458,000, including £381,000 for notified legacies, not yet received.
 - iii) cash balances of £659,000 being held to provide cash reserves to each of our registered charities to meet commitments as they arise.
- c) creditors falling due within one year of £4,022,000.
- d) creditors falling due after more than one year of £475,000.

Risk Management

The Charity has a Risk Management Framework supported by a bespoke Charitable Funds Risk Register (based on the Trustee's Risk Management System). Both are reviewed periodically by the Charitable Funds Committee (CFC). The major risks to which the charity is exposed have been identified and considered with systems and processes established to mitigate those risks. Significant risks are reported to the Corporate Trustee via the CFC's Chair's Assurance Report.

Available Resources

Fund balances as at 31st March 2024 total £6,542,000; of which £82,000 is held as capital in perpetuity/endowment funds and as such cannot be freely expended.

There is a further £459,000 of funds held in the form of current assets (stocks £1,000 and debtors £458,000) and as such these resources are not immediately available for expenditure. This leaves a balance of resources of £6,001,000.

Grant Making Policy

Bids for charitable grants are considered on their individual merits. All grant requests under £10,000 are considered by a Small Grants Group. Requests over £10,000 are reviewed by a Grant Making Panel. Any grant requests over £50,000 will then be considered by the Charitable Funds Committee for final approval. Appendix A has further details of the expenditure policy.

Public Benefit

The Trustee ensures that all grants and spending plans contain identifiable public benefits, which are clear, understandable, and meet the objects of the particular charity concerned (under the Liverpool University Hospitals NHS Charitable Fund umbrella).

Section 17 of the Charities Act 2011 explains the duty of Trustee to have due regard to the public benefit in the management and decision making of the Charity. The Trustee has ensured that the public benefit requirement is strongly embedded within the procedures and controls the Charity has in place, through all stages of the grant approval process and the monitoring of grant expenditure after approval has been given (all grant expenditure is verified before payment that the spend relates to activity set out and approved in the grant application).

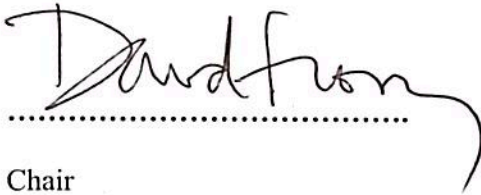
Future Plans

The Charity will continue to develop its five-year strategy following the merging of the Royal Liverpool and Broadgreen Hospitals charity and Aintree University Hospitals Charity. It will continue to raise funds to improve patient experience and the care environment. Research and clinical innovation programmes will be subject to specific campaigns while contributing to the

health and wellbeing of our staff and volunteers will remain a core objective. Diversifying our fundraising portfolio and making best use of digital innovations will enable our small team to achieve the best outcomes for the benefit of our patients and their loved ones.

Conclusion

2023/24 has been another strong year for the charity, with the charity being able to commit further significant resources to support the Hospital Trust in improving the patient experience through investment in research, equipment, staff training & wellbeing and service developments. It must be recognised that none of our achievements would be possible without the hard work and generous support of volunteers; individual, corporate and trust donors, and sponsors and patrons alike. A very warm and heartfelt thanks goes out to all, for their dedication and continued support of the Trust's charities.



.....

Chair

.....
28.11.24

**FINANCIAL
STATEMENTS
2023/2024**

Statement of Financial Activities for the year ended 31 March 2024

	Note	2023/24 Unrestricted Funds £000	2023/24 Restricted Funds £000	2023/24 Endowment Funds £000	2023/24 Total Funds £000	2022/23 Unrestricted Funds £000	2022/23 Restricted Funds £000	2022/23 Endowment Funds £000	2022/23 Total Funds £000
Income and Endowments from:									
Donations & Legacies	2.1	100	864	0	964	95	1,417	0	1,512
Other Trading activities	2.2	0	1	0	1	0	0	0	0
Investments	2.3	26	233	0	259	0	322	0	322
Funds transfer in from AUI Charity	2.4	0	99	0	99	715	240	6	961
Total Income & Endowments		126	1,197	0	1,323	810	1,979	6	2,795
Expenditure on:									
Raising funds	3	18	410	0	428	0	428	0	428
Charitable activities	4	243	3,155	0	3,398	189	1,845	0	2,034
Governance	5	0	78	0	78	0	79	0	79
Total Expenditure		261	3,643	0	3,904	189	2,352	0	2,541
Net Gains (Losses) on Investments	8	(5)	674	2	671	(37)	(303)	(3)	(343)
Net Income / (Expenditure)		(140)	(1,772)	2	(1,910)	584	(676)	3	(89)
Transfers between funds		0	0	0	0	0	0	0	0
Net movement in funds	6	(140)	(1,772)	2	(1,910)	584	(676)	3	(89)
Reconciliation of funds:									
Fund balances carried forward at 31 MARCH 2023		584	7,788	80	8,452	0	8,464	77	8,541
Fund balances carried forward at 31 MARCH 2024		444	6,016	82	6,542	584	7,788	80	8,452

The notes at pages 18 to 31 form part of these financial statements.

Balance Sheet as at 31 March 2024

	Notes	Unrestricted Funds 31.03.24 £000	Restricted Funds 31.03.24 £000	Endowment Funds 31.03.24 £000	Total at 31 March 2024 £000	Unrestricted Funds 31.03.23 £000	Restricted Funds 31.03.23 £000	Endowment Funds 31.03.23 £000	Total at 31 March 2023 £000
Fixed assets:									
Investments	8.2	493	9,352	76	9,921	657	9,428	74	10,159
Total Fixed Assets		493	9,352	76	9,921	657	9,428	74	10,159
Current assets:									
Stocks		0	1	0	1	0	5	0	5
Debtors	10	0	458	0	458	6	376	0	382
Cash at bank and in hand		0	653	6	659	0	1,491	6	1,497
Total Current Assets		0	1,112	6	1,118	6	1,872	6	1,884
Creditors: Amounts falling due within one year	11.1	49	3,973	0	4,022	79	3,135	0	3,214
Net Current Assets / (Liabilities)		(49)	(2,861)	6	(2,904)	(73)	(1,263)	6	(1,330)
Total Assets less Current Liabilities		444	6,491	82	7,017	584	8,165	80	8,829
Creditors: Amounts falling due after more than one year	11.2	0	475	0	475	0	377	0	377
Total Net Assets		444	6,016	82	6,542	584	7,788	80	8,452
Funds of the Charity									
Capital Funds:									
Endowment funds	12.1	0	0	82	82	0	0	80	80
Income Funds:									
Restricted income funds	12.5	0	6,016	0	6,016	0	7,788	0	7,788
Unrestricted funds		444	0	0	444	584	0	0	584
Total charity funds		444	6,016	82	6,542	584	7,788	80	8,452

The notes at pages 18 to 31 form part of these financial statements.

Signed:

Date:

28/11/24

Statement of Cash Flows for the year ended 31 March 2024

	Total 2023/24 £000	Total 2022/23 £000
Cash flows from Operating Activities:		
Net Cash provided by (used in) operating activities	<u>(2,105)</u>	<u>(100)</u>
Cash flows from investing activities:		
Returns on Investments	259	322
Proceeds from sale of investments	7,564	2,835
Purchase of Investments	(6,655)	(2,829)
Acquisition of AUH less cash acquired	<u>99</u>	<u>245</u>
Net cash provided by (used in) investing activities	1,267	573
Change in cash and cash equivalents	<u>(838)</u>	<u>473</u>
Cash and Cash equivalents at the start of the year	1,497	1,024
Cash and Cash equivalents at the end of the year	<u>659</u>	<u>1,497</u>
Reconciliation of net income / (expenditure) to net cash flow from Operating activities		
Net income / (expenditure) as per the SOFA	(1,910)	(89)
Dividends and Interest from Investments	(259)	(322)
(Increase) / decrease in Stocks	4	0
(Increase) / decrease in Debtors	(76)	354
Increase / (decrease) in Creditors	906	575
Revaluation of investments	(671)	343
Funds Transfer from AUH	(99)	(961)
Net cash (outflow) / inflow from operating activities	<u>(2,105)</u>	<u>(100)</u>

LIVERPOOL UNIVERSITY HOSPITALS NHS CHARITABLE FUND

NOTES TO THE ACCOUNTS

ACCOUNTING POLICIES

1.1 Basis of preparation

The financial statements have been prepared in accordance with 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 – (Charities SORP "FRS 102"), the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Charities Act 2011.

Liverpool University Hospitals NHS Charitable Fund meets the definition of a public benefit entity under FRS 102.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

(a) Going Concern

The Trustees have carried out an assessment and are of the view that, notwithstanding the net current liabilities at year-end, given the high levels of cash and readily realisable investments, the charity is a going concern, with no material uncertainties about the charity's ability to continue.

(b) Critical Accounting Judgements and Estimates

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the charity's accounting policies and the reported assets, liabilities, income and expenditure and the disclosures made in the financial statements. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the current circumstances.

Key judgements concern the timing of recognition of legacy income and the recognition of awards granted to the Trust.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

(c) Entity Combinations

Entity combinations for public benefit entities are accounted for in accordance with paragraph PBE 34.75 of FRS 102. The combination with AUH for nil consideration is in substance a gift. The excess of the fair value of the assets received over the fair value of the liabilities assumed is recognised as a gain in the Statement of Financial Activities, representing the gift of the value of one entity to another and is recognised as income.

1.2 Income

The policies followed, which deal with income, voluntary assistance and donations, are:

(a) All incoming resources are included in full in the Statement of Financial Activities as soon as the following three factors can be met:

- i) Entitlement - arises when a particular resource is receivable or the charity's right becomes legally enforceable;
- ii) Certainty – when there is reasonable certainty that the incoming resource will be received;

- iii) Measurement – when the monetary value of the incoming resources can be measured with sufficient reliability.

(b) Gifts in kind

- i) Assets given for distribution by the charity are included in the Statement of Financial Activities only when distributed.
- ii) Assets given for use by the charity (e.g. property for its own occupation) are included in the Statement of Financial Activities as incoming resources when receivable.
- iii) Gifts made in kind but on trust for conversion into cash and subsequent application by the charity are included in the accounting period in which the gift is sold.

In all cases the amount at which gifts in kind are brought into the account is either a reasonable estimate of their value to the charity or the amount actually realised. The basis of the valuation will be disclosed in the annual report if any gifts in kind are received during the year. No such gifts were received in the current or prior year.

(c) Intangible Income including donated services and facilities

Intangible income (e.g. the provision of free accommodation) is included in the accounts with an equivalent amount in outgoing resources, if there is a financial cost borne by another party. The value placed on such income is the financial cost of the third party providing the resources. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised as income or expenditure.

(d) Legacies

Legacies are accounted for as incoming resources once the receipt of the legacy becomes probable. This will be once confirmation has been received from the representatives of the estate that payment of the legacy will be made or property transferred and once all conditions attached to the legacy have been fulfilled.

(e) Interest receivable and dividend income

Interest on funds held on deposit and dividend income is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest or dividend paid or payable.

1.3 Expenditure

The funds held on trust accounts are prepared in accordance with the accruals concept. Expenditure is recognised when a liability is incurred and 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. Grant commitments are recognised once there is a legal or constructive obligation to make a payment to a third party.

(a) Cost of raising funds

The cost of generating funds are the costs associated with generating income for the funds held on trust. It will also include Investment management costs which consist of direct fees and a proportion of support costs (see note 5.2).

(b) Grants payable

Grants payable are payments, made to third parties (including NHS bodies) in the furtherance of the funds held in accordance with the trust's charitable objectives. They are accounted for on an accruals basis where the conditions for their payment have been met or where a third party has a reasonable expectation that they will receive the grant. This includes grants paid to NHS bodies.

(c) Allocation of Overhead and Support costs

These are accounted for on an accruals basis and have been allocated based upon time spent or the nature of the activity (see note 5.1) between Charitable Activities and Governance Costs. 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.

(d) Governance Costs

Governance costs comprise all costs incurred in the governance of the charity. These costs include costs related to statutory audit together with an apportionment of overhead and support costs.

(e) Irrecoverable VAT

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

1.4 Structure of funds

Where there is a legal restriction on the purpose to which a fund may be used, the fund is classified in the accounts as a restricted fund. Funds where the capital is held to generate income for charitable purposes and cannot itself be spent are accounted for as endowment funds. Other funds are classified as unrestricted funds. Funds which are not legally restricted but which the Trustee has chosen to earmark for set purposes are designated funds. The major funds held within these categories are disclosed in note 12.

1.5 Tangible Fixed Assets

The charity has no tangible fixed assets.

1.6 Investment Fixed Assets

Investment fixed assets (excluding cash) are shown at fair value, which is determined by their market value.

- i) Quoted stocks and shares are included in the balance sheet at mid-market price, ex-div.
- ii) Other investment fixed assets are included at Trustee's best estimate market value.

1.7 Realised 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 (or date of purchase if later). Unrealised gains and losses are calculated as the difference between market value at the year-end and opening market value (or date of purchase if later).

1.8 Intangible Fixed Assets

The charity has no intangible fixed assets.

1.9 Stock

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

1.1 Debtors

Trade and other debtors are recognised at cost, being the settlement amount due. Prepayments are valued at the amount prepaid net.

1.11 Cash at bank and in hand

Cash at bank and in hand includes cash held in the Liverpool University Hospitals NHS Charitable Fund's account and the amounts held in the 'income' accounts within the Charity's investment portfolios.

1.12 Creditors and provisions

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

1.13 Change in the Basis of Accounting

There has been no change in the basis of accounting.

1.14 Prior Year Adjustments

There has been no change to the accounts of prior years.

1.15 Pooling Scheme

An official pooling scheme is operated for investments covering all funds registered under the umbrella agreement. The scheme was registered with the Charity Commission on 26th March 2002.

1.16 Related Party Transactions

During the year none of the Trust Board or members of the key management staff or parties related to them has undertaken any material transactions with the Liverpool University Hospitals NHS Foundation Trust.

The charitable trust has made revenue and capital payments to the Liverpool University Hospitals NHS Foundation Trust, whose Trust Board members (whose names are listed below) also represent the Corporate Trustee.

Further details of related party transactions can be found in note 18.

Trust Board Members

D Flory	Chair
M Eastwood	Non Executive Director
S Samuels	Non Executive Director
E de Sousa	Non Executive Director
I Ismail	Non Executive Director
Prof T Walley	Non Executive Director
D Gilbert	Non Executive Director
H Citrine	Non Executive Director (resigned 19th December 2023)
J Bird	Non Executive Director (appointed 15th April 2024)
J Sumner	Chief Executive Officer
D Melia	Chief Nurse
J Gardner	Executive Medical Director
R Forster	Deputy Chief Executive Officer & Chief Finance Officer
H Barnett	Chief People Officer
B Weston	Chief Delivery Officer
P Turkington	Executive Managing Director - Aintree (appointed 9th May 2023)
N Hudson	Executive Managing Director - RLUH (appointed 9th May 2023)

Donations & Legacies		2.1	Unrestricted 2023-24 Funds £000	Restricted 2023-24 Funds £000	Endowment 2023-24 Funds £000	Total 2023-24 Funds £000	Total 2022-23 Funds £000
	Donations		100	525	0	625	780
	Legacies		0	339	0	339	732
	Total		100	864	0	964	1,512
Trading Activities		2.2	Unrestricted 2023-24 Funds £000	Restricted 2023-24 Funds £000	Endowment 2023-24 Funds £000	Total 2023-24 Funds £000	Total 2022-23 Funds £000
	Fundraising		0	1	0	1	0
	Total		0	1	0	1	0
Investment Income		2.3	Unrestricted 2023-24 Funds £000	Restricted 2023-24 Funds £000	Endowment 2023-24 Funds £000	Total 2023-24 Funds £000	Total 2022-23 Funds £000
	Dividends and investment interest		0	201	0	201	302
	Bank Interest		0	58	0	58	20
	Total		0	259	0	259	322
Donation from AUH Charity		2.4	Unrestricted 2023-24 Funds £000	Restricted 2023-24 Funds £000	Endowment 2023-24 Funds £000	Total 2023-24 Funds £000	Total 2022-23 Funds £000
	Transfer in from AUH Charity		0	99	0	99	961
	Total		0	99	0	99	961
Expenditure on Raising funds		3	Unrestricted 2023-24 Funds £000	Restricted 2023-24 Funds £000	Endowment 2023-24 Funds £000	Total 2023-24 Funds £000	Total 2022-23 Funds £000
	Fundraising Costs		16	337	0	353	360
	Investment Management		2	73	0	75	68
	Total		18	410	0	428	428
Expenditure on Charitable Activities		4	Unrestricted 2023-24 Funds £000	Restricted 2023-24 Funds £000	Endowment 2023-24 Funds £000	Total 2023-24 Funds £000	Total 2022-23 Funds £000
	Patients Welfare & amenities		139	1,719	0	1,858	523
	Staff Welfare & amenities		23	517	0	540	430
	Research & Education		16	695	0	711	198
	Contributions to NHS Capital		65	224	0	289	883
	Total		243	3,155	0	3,398	2,034

Expenditure Other	5					
		Unrestricted 2023-24 Funds £000	Restricted 2023- 24 Funds £000	Endowment 2023-24 Funds £000	Total 2023-24 Funds £000	Total 2022-23 Funds £000
Governance		0	78	0	78	79
Total		0	78	0	78	79

Allocation and Apportion to Governance Costs	5.1	Basis of Allocation	Allocated to Governance	Residual for Apportion	Total 2023-24 Funds	Total 2022-23 Funds
			£000	£000	£000	£000
Salaries		Time Spent	46	104	150	130
Establishment Costs		Governance	5	0	5	6
Audit Fee		Governance	19	0	19	16
Miscellaneous		Governance	8	2	10	18
Total			78	106	184	170

It should be noted that charity does not employ any staff directly. Rather, the salary costs above are for charity administration staff employed by the Hospital Trust and then the costs are recharged to the Charity

Apportion of Support Costs	5.2		Direct Costs	Support Costs	Total costs 2023-24 £000	Total costs 2022-23 £000
			£000	£000		
Expenditure on raising Funds:						
Fundraising			330	23	353	360
Investment Management			51	24	75	68
Sub - Total			381	47	428	428
Expenditure on Charitable Activities:						
Patients Welfare & amenities			1,826	32	1,858	523
Staff Welfare & amenities			531	9	540	430
Research			699	12	711	198
Contributions to NHS Capital			283	6	289	883
Sub - Total			3,339	59	3,398	2,034
Governance			0	78	78	79
Total Expenditure			3,720	184	3,904	2,541

It should be noted that charity does not employ any staff directly. Rather, the salary costs of fundraising staff (included in the cost of fundraising above) are employed by the Hospital Trust and then the costs are recharged to the Charity.

Charity Activities by Type	5.3	Grants to Institutions 2023-24 £000	Grants to Individuals 2023-24 £000	Support Costs 2023-24 £000	Total 2023-24 £000	Total 2022-23 £000
Patients Welfare & amenities		1,826	0	32	1,858	523
Staff Welfare & amenities		519	12	9	540	430
Research		699	0	12	711	198
Contributions to NHS Capital		283	0	6	289	883
Total		3,327	12	59	3,398	2,034

Grants awarded to institutions	5.4	Total 2023-24 £000	Total 2022-23 £000
Liverpool University Hospital NHS FT		2,721	1,984
University of Liverpool		511	40
Bangor University		95	0
		3,327	2,024

Changes in Resources Available for Charity Use	6	Unrestricted 2023-24 Funds £000	Restricted 2023-24 Funds £000	Endowment 2023-24 Funds £000	Total 2023-24 Funds £000	Total 2022-23 Funds £000
Net movement in funds for the year		(140)	(1,772)	2	(1,910)	(89)
Net movement in tangible fixed assets		0	0	0	0	0
Net movement in funds available		0	0	0	0	0
		(140)	(1,772)	2	(1,910)	(89)

Tangible Fixed Assets 7 There are no fixed assets of the charity

Analysis of Fixed
Asset Investments

8		2023-24	2022-23
8.1	Fixed Asset Investments:	£000	£000
	Market value at 31 March 2023	10,159	9,700
	Gifted from AUH	0	808
	Less: Disposals at carrying value	(7,564)	(2,835)
	Add: Acquisitions at cost	6,655	2,829
	Net gain / (loss) on revaluation	671	(343)
	Market value at 31 March 2024	<u>9,921</u>	<u>10,159</u>
	Historic cost at 31 March 2024	<u>8,746</u>	<u>9,332</u>

8.2	Market value at 31 March:	Held in UK £000	2023-24 Total £000	2022-23 Total £000
	Investments listed on the Stock Exchange	9,718	9,718	9,900
	Cash held as part of the investment portfolio	203	203	259
		<u>9,921</u>	<u>9,921</u>	<u>10,159</u>

Post Balance events

9 None

Analysis of Debtors		Total as at 31 MARCH 2024	Total as at 31 MARCH 2023
10		£000	£000
10.1	Amounts falling due within one year:		
	Prepayments	2	0
	Accrued income	456	382
	Total debtors falling due within one year	<u>458</u>	<u>382</u>
10.2	Amounts falling due over one year:		
	Total debtors falling due after more than one year	<u>0</u>	<u>0</u>
	Total debtors	<u>458</u>	<u>382</u>
<hr/>			
Analysis of Creditors		Total as at 31 MARCH 2024	Total as at 31 MARCH 2023
11		£000	£000
11.1	Amounts falling due within one year:		
	Other creditors	179	916
	Accruals	3,824	2,298
	Deferred income	19	0
	Total creditors falling due within one year	<u>4,022</u>	<u>3,214</u>
11.2	Amounts falling due after more than one year:		
	Accruals	475	377
	Total creditors falling due after more than one year	<u>475</u>	<u>377</u>
	Total creditors	<u>4,497</u>	<u>3,591</u>

Analysis of Funds 12

12.1	Endowment Funds 31.03.24	Balance 31 March 2023	Incoming Resources	Resources Expended	Transfers	Gains and Losses	Balance 31 March 2024
	(list individually)	£000	£000	£000	£000	£000	£000
	A M A Davies	18					18
	B S I V Cooke	14				1	15
	C Dr J Bernstein	3					3
	D Mr N Gibbon	39				1	40
	E Dr Ansell	6					6
	Others (1)						
	Total	80	0	0	0	2	82

Details of material funds - Endowment Funds 31.03.24 12.2

Name of fund	Description of the nature and purpose of each fund
A M A Davies	Bed endowment fund for Patients Welfare
B S I V Cooke	Holiday fund for Nurses
C Dr J Bernstein	RLUH Convalescence and recreation fund
D Mr N Gibbon	Annual Urology Scholarship
E Dr Ansell	To provide a training bursary in recognition of nursing excellence

12.3	Endowment Funds 31.03.23	Balance 31 March 2022	Incoming Resources	Resources Expended	Transfers	Gains and Losses	Balance 31 March 2023
	(list individually)	£000	£000	£000	£000	£000	£000
	A M A Davies	19	0	0	0	(1)	18
	B S I V Cooke	15	0	0	0	(1)	14
	C Dr J Bernstein	3	0	0	0	0	3
	D Mr N Gibbon	40	0	0	0	(1)	39
	E Dr Ansell	0	6	0	0	0	6
	Others (1)	0	0	0	0	0	0
	Total	77	6	0	0	(3)	80

Details of material funds - Endowment Funds 31.03.23 12.4

Name of fund	Description of the nature and purpose of each fund
A M A Davies	Bed endowment fund for Patients Welfare
B S I V Cooke	Holiday fund for Nurses
C Dr J Bernstein	RLUH Convalescence and recreation fund
D Mr N Gibbon	Annual Urology Scholarship
E Dr Ansell	To provide a training bursary in recognition of nursing excellence

Analysis of Funds 12 cont'd

12.5 Funds 31.03.24		Balance 31 March 2023	Incoming Resources	Resources Expended	Transfers	Gains and Losses	Balance 31 March 2024
		£000	£000	£000	£000	£000	£000
Material funds (list individually)							
A	Endocrinology Fund	884	22	(20)		69	955
B	L'pool Reg Dialysis Fund	800	19	(198)		62	683
C	RLUH Patient Welfare Fund	554	236	(369)		39	460
D	St Paul's Fnd. Prev of Blindness	790	202	(639)		89	442
E	RLUH Renal Transplant Fund	351	9	(10)		27	377
F	St Paul's General Purpose	359	7	(13)		21	374
G	RLUH Gastroenterology Fund	273	7	(33)		21	268
H	BGH General Purpose	181	57	(108)		21	151
	Others	3,596	638	(2,253)		325	2,306
Total Restricted		7,788	1,197	(3,643)	0	674	6,016
Total Unrestricted		584	126	(261)		(5)	444

Details of material Funds 31.03.24

12.6	Name of fund	Description of the nature and purpose of each fund
A	Endocrinology Fund	Any charitable purpose relating to disease of the gland
B	L'pool Reg Dialysis Fund	Any charitable purpose relating to Dialysis services
C	RLUH Patients Welfare Fund	For the relief of RLUH patients suffering from sickness and disease or its effects
D	St Paul's Fnd. Prev of Blindness	For the public benefit Ophthalmic research connected to RLUH St Paul's Eye Unit
E	RLUH Renal Transplant Fund	Any charitable purpose relating to Renal Transplant Unit
F	St Paul's General Purpose	Any charitable purpose relating to RLUH Ophthalmology Unit
G	RLUH Gastroenterology Fund	Any charitable purpose for patients suffering from liver and gastro-intestinal tract disease
H	BGH General Purpose	Any charitable purpose relating to Broadgreen Hospital

12.7 Funds 31.03.23		Balance 31 March 2022	Incoming Resources	Resources Expended	Transfers	Gains and Losses	Balance 31 March 2023
		£000	£000	£000	£000	£000	£000
Material funds (list individually)							
A	Endocrinology Fund	939	26	(51)	0	(30)	884
B	L'pool Reg Dialysis Fund	948	25	(146)	0	(27)	800
C	St Paul's Fnd. Prev of Blindness	452	422	(64)	0	(20)	790
D	RLUH Patient Welfare Fund	515	108	(54)	0	(15)	554
E	Forget Me Not Fund	390	18	(2)	0	(15)	391
F	St Paul's General Purpose	53	419	(116)	0	3	359
G	RLUH Renal Transplant Fund	361	11	(10)	0	(11)	351
H	RL&BUH General Purpose	42	295	(54)	0	(8)	275
	Others	4,764	655	(1,855)		(180)	3,384
Total Restricted		8,464	1,979	(2,352)	0	(303)	7,788
Total Unrestricted		0	810	(189)	0	(37)	584

Details of material Funds 31.03.23

12.8	Name of fund	Description of the nature and purpose of each fund
A	Endocrinology Fund	Any charitable purpose relating to disease of the gland
B	L'pool Reg Dialysis Fund	Any charitable purpose relating to Dialysis services
C	St Paul's Fnd. Prev of Blindness	For the public benefit Ophthalmic research connected to RLUH St Paul's Eye Unit
D	RLUH Patients Welfare Fund	For the relief of RLUH patients suffering from sickness and disease or its effects
E	Forget Me Not Fund	Any charitable purpose relating to cancer services
F	St Paul's General Purpose	Any charitable purpose relating to RLUH Ophthalmology Unit
G	RLUH Renal Transplant Fund	Any charitable purpose relating to Renal Transplant Unit
H	RL&BUH General Purpose	Any charitable purpose relating to Royal Liverpool & Broadgreen University Hospitals

Contingencies 13 There were no contingent assets or liabilities for the charity included in the accounts:

Commitments, Liabilities and Provisions 14.1 The Charity has no commitments, liabilities or provisions.

14.2 The Trustee recognise liabilities in the accounts once they have incurred either a legal or constructive obligation to expend funds.

Trustee and Connected Persons Transactions 15

	15.1	Trustee expenses reimbursed	2023-24	2022-23
			£	£
		Travel and subsistence	0	0
		Entertainment	0	0
		Other (please describe)	0	0
			<u>0</u>	<u>0</u>
		 Total number of Trust Board Members representing the Trustee	 <u>16</u>	 <u>12</u>

15.2 There was no Trustee remuneration

15.3 There were no transactions with a Trustee or connected persons in any personal capacity

15.4 **Trustee Indemnity Insurance**
Cover provided under Liverpool University Hospitals NHS Foundation Trust's Litigation Authority Non-clinical risk scheme.

Loans or Guarantees Secured against assets of the charity 16 None

Connected Organisations

17

Name, nature of connection, description of activities undertaken and details of any qualifications expressed by their auditors	2023-24		2022-23	
	Turnover of Connected Organisation	Net Profit/ (Loss) for the Connected Organisation	Turnover of Connected Organisation	Net Profit/ Loss for the Connected Organisation
	£	£	£	£
Liverpool University Hospitals NHS FT	1,281,857,000	(53,850,000)	1,173,144,000	(303,991,000)

Related party Transactions

18 Related party transactions

During the year none of the Trust Board or members of the key management staff or parties related to them has undertaken any material transactions with the Liverpool University Hospitals NHS Charitable Fund.

Professor T Walley, Non-Executive member of the Trust Board during 2023/24, is also an employee of the University of Liverpool. The Charity is involved in numerous transactions with the University of Liverpool, involving staff recharges and other research related costs. The Charity accounted for new grant activity relating to the University of Liverpool of £510,588 (2022/23: £38,714). Total outstanding owed to the University of Liverpool at 31st March 2024 stood at £985,342 (2022/23: £501,366), although these figures do contain planned future grant spend of £716,419 (2022/23: £391,113) that hasn't been incurred yet. Professor Walley had no part in these transactions.

Independent auditors' report to the trustee of the Liverpool University Hospitals NHS Charitable Fund

Opinion

We have audited the financial statements of the Liverpool University Hospitals NHS Charitable Fund (the 'charity') for the year ended 31 March 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2024 and of its incoming resources 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 for opinion

We have been appointed as auditor under section 149 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. 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 UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions related to going concern

In auditing the financial statements, we have concluded that the trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustee with respect to going concern are described in the relevant sections of this report.

Independent auditors' report to the trustee of the Liverpool University Hospitals NHS Charitable Fund (continued)

Other Information

The trustee is responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Independent Auditors' Report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. 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 & Reports) Regulations 2008 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustee's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the trustee

As explained more fully in the Statement of Trustee's Responsibilities, the trustee is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustee determines 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 trustee is 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 trustee either intends to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Independent auditors' report to the trustee of the Liverpool University Hospitals NHS Charitable Fund (continued)

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 149 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 auditors' 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.

Based on our understanding of the charity and sector, we identified that the principal risks of non-compliance with laws and regulations related to UK tax legislation and regulations which govern the preparation of financial statements, and 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 financial statements such as the Charities Act 2011. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase incoming resources, through management bias in manipulation of accounting estimates or accounting for significant transactions outside the normal course of operations. Audit procedures performed included:

- Enquiry of management around actual and potential litigation and claims and instances of non-compliance with laws and regulations;
- Auditing the risk of management override of controls, through testing journal entries and other adjustments for appropriateness, testing accounting estimates (because of the risk of management bias), and evaluating the rationale for significant transactions outside the normal course of operations;
- Reviewing financial statement disclosures and agreeing to supporting documentation to assess compliance with applicable laws and regulations; and
- Review of trustee meeting minutes.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditors' report.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. 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.

Independent auditors' report to the trustee of the Liverpool University Hospitals NHS Charitable Fund (continued)

Use of our report

This report is made solely to the charity's trustee, as a body, in accordance with section 154 of the Charities Act 2011 and for no other purpose. Our audit work has been undertaken so that we might state to the charity's trustee those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustee as a body, for our audit work, for this report, or for the opinions we have formed.

Bennett Brooks & Co Limited

Jason Leach FCA (Senior Statutory Auditor)

Bennett Brooks & Co Limited

Chartered Accountants and Statutory Auditors

Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

St George's Court

Winnington Avenue

Northwich

Cheshire

CW8 4EE

5 December 2024



Liverpool
University
Hospitals
Charity

Governing Document

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1. About Liverpool University Hospitals' Charity

Liverpool University Hospitals' Charity (LUH Charity) is registered with the Charity Commission #1047988 and has a Corporate Trustee – the Liverpool University Hospitals NHS Foundation Trust Board. The principal office is in England, located at Liverpool University Hospitals Charity, Royal Liverpool Hospital, Mount Vernon Street, Liverpool, L7 8YE.

Its trustee arrangements have been established by the Secretary of State for Health and Social Care under NHS legislation and LUH Charity is established for charitable purposes relating to the NHS and the individuals responsible for ensuring that trustee duties are fulfilled are appointed by the NHS.

LUH Charity was formed on 1st April 2022 through the transfer of the assets of The Aintree University Hospital Charitable Fund to the Royal Liverpool & Broadgreen University Hospitals NHS Trust Charitable Fund through:

- the completion of a transfer deed
- the closure of The Aintree University Hospital Charitable Fund
- the renaming of this combined charity to Liverpool University Hospitals NHS Charitable Funds
- the rationalisation of the funds to reflect the new site-based structure (Aintree, Broadgreen, Royal).
- deregistering of the multiple linked charities

2. Charitable Objects and Purpose

Object: Donations received by LUH Charity may be expended on 'any charitable purpose or purposes relating to the National Health Service wholly or mainly for the service provided by Liverpool University Hospitals NHS Foundation Trust.

The Charitable Purpose of LUH Charity was refreshed on 11th January 2024 to provide greater clarity to donors and support decision making when grant funding:

To support high quality patient care and staff health and wellbeing beyond that which the NHS provides by generating charitable income to:

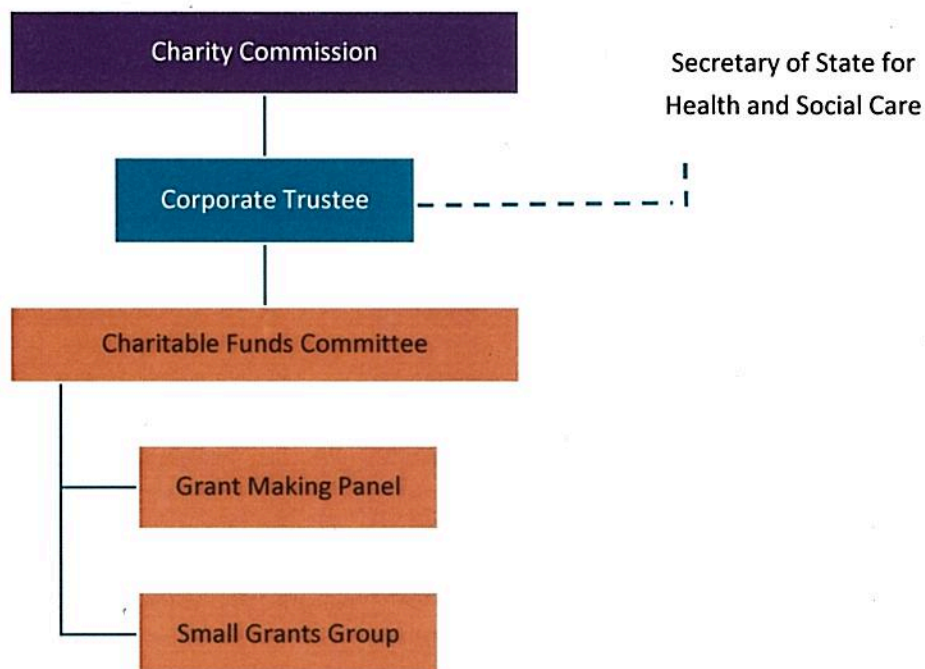
1. Improve the **care environment and patients' experience**.
2. Provide **medical equipment/systems** that are in addition to minimum standards required of the service.
3. Fund **research, innovation and education programmes** that directly contribute to the care of LUHFT patients.
4. Fund specific **staff health and/or wellbeing** projects.

3. Public Benefit

In both fundraising and grant making, the Trustee (and its delegates) ensure that the public benefit requirement is met:

- Benefit must be identifiable and capable of being proved by evidence where necessary and which is not based on personal views.
- Benefit the public in general, or a sufficient section of the public and not give rise to more than incidental personal benefit.

4. Governing LUH Charity



The Charity Commission

The Charity Commission is responsible for:

- registering eligible organisations in England and Wales which are established for only charitable purposes.
- taking enforcement action when there is malpractice or misconduct.
- ensuring charities meet their legal requirements, including providing information on their activities each year.
- making appropriate information about each registered charity widely available to the public
- providing guidance to help charities run as effectively as possible.
- providing online services for charities.

The Corporate Trustee

The Board of Directors of Liverpool University Hospitals NHS Foundation Trust (voting members) is the Corporate Trustee and in this role:

- the Board has a shared understanding of and commitment to LUH Charity's purposes and can articulate these clearly.
- the Board can demonstrate that LUH Charity is effective in achieving its charitable purposes and agreed outcomes.

It is responsible for:

- Approving LUH Charity's Annual Report, Financial Statements and Charity Commission annual return
- Delegating selected authorities, as set out below, to the Charitable Funds Committee
- Appointing or removing members of the Charitable Funds Committee
- Approving the Governing Document or any amendments made therein.
- Receiving and reviewing the Charity Commission Trustee Checklist
- Undertaking any training necessary to remain compliant with its obligations as the Corporate Trustee.
- Closing LUH Charity.

5. The Charitable Funds Committee (CFC)¹

The Charitable Funds Committee is convened with delegations from the Corporate Trustee and is responsible for the governance of LUH Charity, ensuring it complies with the requirements of the Charity Commission and other relevant regulatory and statutory frameworks. The committee also ensures that charitable donations are administered efficiently and legally and directed promptly towards appropriate charitable activity in accordance with the donor's wishes.

While this Committee has been established by the Board of Directors to carry out specific functions as described, it is important to note that the Board retains ultimate responsibility for discharging its duties and responsibilities as LUH Charity's Corporate Trustee. To that end, the Board of Directors has absolute discretion over the activities and decisions of the Committee.

The Terms of Reference for the Charitable Funds Committee are available at appendix 1a.

The Grant Making Panel

This committee supports the Charitable Funds Committee with the assessment of grant applications to ensure that funds are disbursed appropriately and in a timely manner.

The Charitable Funds Committee has delegated authority to the GMP to review and approve grant applications >£10K and <£50K inc. VAT. It further reviews all bids more than £50K to ensure appropriateness ahead of the applicant presenting to the quarterly CFC.

¹ Charity Governance Code

The terms of reference for the Grant Making Panel are available at appendix 1b.

The Small Grants Group

The small Grants Group meets monthly and is designed to more frequently approve small applications which are often patient experience related and therefore time sensitive. The SGG has delegated authority from CFC to approve grant applications less than £10K inc. VAT.

The terms of reference for the Small Grants Group are available at appendix 1c.

Emergency Grants up to £10K only

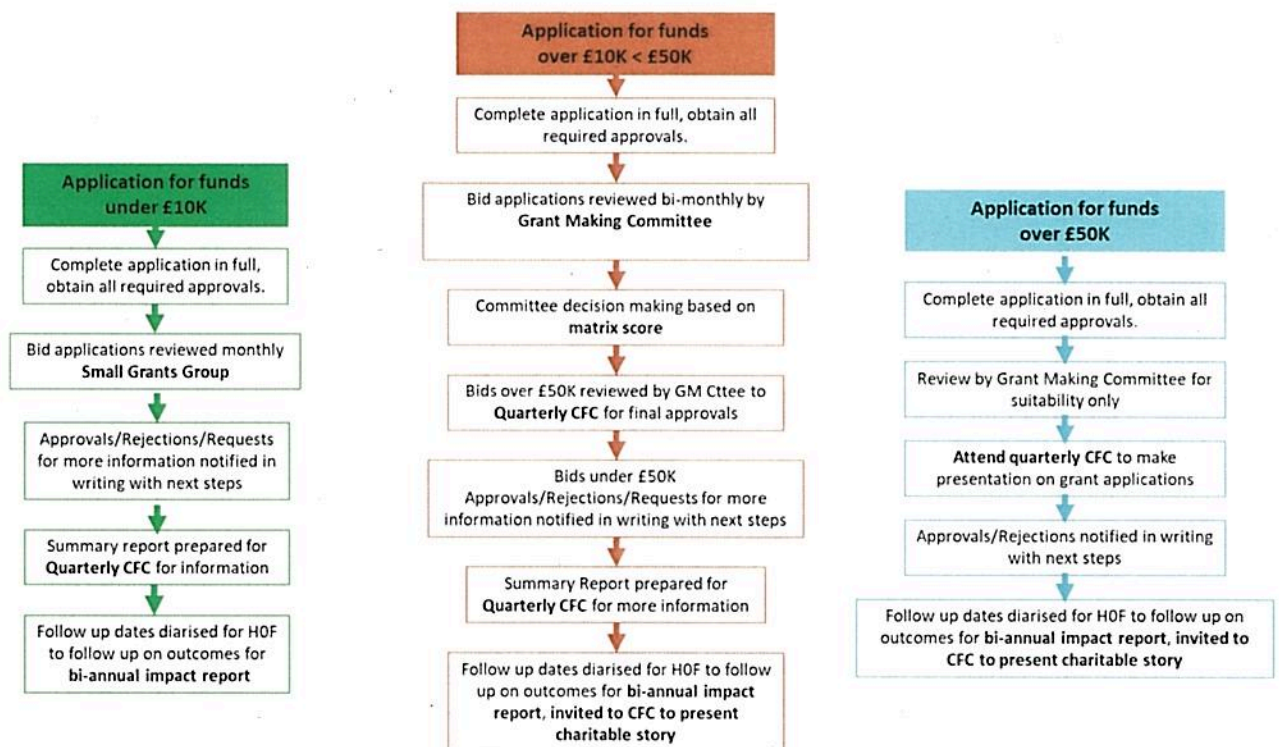
Emergency grants can be provided to support patients and their carers/loved ones in specific circumstances, such as end of life and to support complex discharge.

- The Head of Fundraising has discretionary approval up to £1k inc. VAT.
- All other requests must be approved by the Director of Communications or Director of Finance in case of absence.

In all cases, emergency approvals must be accompanied by an application form and be reported through the Small Grants Group for completeness.

LUH Charity Grant making Process - Summary

Declarations of interest in any of the applications being considered will be taken at the beginning of all meetings. Members of any of the panels that work in that service or have any associated interest will be excluded from the decision-making process for that bid.



6. Decision making

When decisions are made, members of the Charitable Funds Committee must:

- Act within the legal responsibilities representing the corporate trustee.
- act within LUH Charity's purposes
- act within committee/group powers as described in this governing document.
- act in good faith, and only in LUH Charity's interests
- ensure members are sufficiently informed, taking any advice if required.
- take account of all relevant factors and ignore any irrelevant factors.
- manage conflicts of interest (see below)
- reference the decision-making matrix provided for grant making decisions.

Decision making on 'exchequer' and 'charitable' spending:

There is a clear open, and independent process of decision making by the Charitable Funds Committee (and its delegates) to support decisions to apply charitable funds in a specific way:

- The Charitable purpose of LUH Charity solely guides decision making on grant-funding.
- Decisions are made in the interests of LUH Charity to further its charitable objective/ purposes.
- An assessment of the public benefit is considered.
- An assessment of how far LUHFT NHS duty of provision extends.
- The scoring matrix is used as a core assessment tool and the threshold should be reached or exceeded.
- An appeals process enables rejected applications to be assessed independently.

7. Managing Conflicts of Interest

LUH Charity recognised that there are two common types of conflict of interest:

- **Financial conflicts:** These conflicts happen when a member representing the corporate trustee, or person or organisation connected to them, could gain financially or secure something of value from a committee decision.
- **Loyalty conflicts:** These conflicts happen when the representative might not be able to make decisions that are best for LUH Charity.

Declaring conflicts of interest.

- The Corporate trustee maintains and updates a register of interests of Board members, from whom members of the Charitable Funds Committee are selected. It also adopts the NHS Managing Conflicts of Interest Policy. The register of Board Members' interests is available to view here: [Board of Directors - Register of Interests :: Liverpool University Hospitals NHS Foundation Trust \(liverpoolft.nhs.uk\)](https://www.liverpoolft.nhs.uk/Board-of-Directors-Register-of-Interests)
- At Charitable Funds Committee, and its delegated Grant Making Committee and Small Grants Group, the chair should ask attendees to identify, declare and record conflicts at the start of all meetings as a standard agenda item.

Managing conflicts of interest.

- At all times corporate trustee representatives/members of the Charitable Funds Committee or its delegated committees/groups will act in the best interest of LUH Charity
- As a minimum, the conflicted member should:
 - leave relevant discussions.
 - not take part in the decision or vote
 - not be counted in the quorum.

Recording conflicts of interest.

The Chair will instruct that the following are recorded:

- what the conflict was.
- who or what it affected.
- when it was declared
- how it was managed.

Managing serious conflicts of interest.

Serious conflicts may occur where the majority of the members have a conflict – this is especially relevant to NHS charities with a corporate trustee. This could include:

- the majority of members have a commercial interest in LUH Charity decision.
- the decision involves significant money or risk, and there is a conflict.

In these types of situations, the Charitable Funds committee will consider the following options:

- remove the conflict.
- change the plan.
- ask the corporate trustee to nominate an additional/replacement member that is not affected by the conflict.
- take legal advice.
- in very high-risk cases ask the Charity Commission to authorise the decision.

8. Funds held by LUH Charity²

LUH Charity holds three types of funds:

Restricted funds – these must be used for specific purposes such as:

- specifications by the donor(s) at the point of donation - including bequests.
- by the terms of a public appeal
- the terms of a grant
- endowment funds, permanent endowment, or expendable endowments

The Charity Commission specifies: *Funds should only be classified as 'restricted' if they are subject to trusts³ In practical and accounting terms the implication is that donations should*

² <https://www.charitycorp.org> Section2 Fund accounting

³ section d s353 of the Charities Act 2011

be presumed to be unrestricted (and not subject to a 'trust') unless the donor places an unequivocal restriction on it, for example by saying it 'must be used' or 'can only be used' for a specified purpose or by giving to a specific appeal. For a particular donation to be treated as restricted requires positive evidence of restriction. In most cases trustees should make this classification only where there is written evidence of an intention to restrict, for example a will, a letter from a donor, terms of a grant, appeal literature.⁴

Note: Employees of the NHS Trust are not entitled to solicit funds for restricted purposes that they have themselves decided, for example to fund research that they are conducting. If a donor imposes such a restriction it will fall to the corporate trustee/Charitable Funds Committee to implement the restriction⁵

Unrestricted funds (General Purpose Fund/s)

These are funds which are given to LUH Charity (whether solicited or unsolicited) without any restrictions imposed by the donor or grant maker.

They could include proceeds of an appeal, *provided that a disclaimer to the effect that the appeal proceeds may be used for other purposes of LUH Charity in the event that the appeal purposes cannot be fulfilled.*

Unrestricted funds are the funds of a charity that may be spent at the discretion of the Charitable Funds Committee or its delegates, in furtherance of the objectives of LUH Charity in which the funds are held, without any distinction between capital and income.

Designated funds

The Charitable Funds Committee or its delegates may exercise discretion to set aside part of the unrestricted funds for designated purposes.

- Designation of funds may also be used where donors have expressed a preference without imposing a 'trust'.
- Designated funds remain unrestricted since the Charitable Funds Committee can remove the designation at any time.
- Designated funds continue to be held ultimately for the overall purpose of LUH Charity.

9. Details on financial accounting and statutory returns

The corporate trustee is responsible to ensure LUH Charity's:

- assets are properly used.
- funds are spent effectively.
- financial affairs are well managed.

The Charitable Funds Committee, under delegated authority from the corporate trustee, is responsible for grant making (according to charitable object and purpose), reviewing LUH

⁴ Classifying funds Section 6.2 <https://www.gov.uk/government/publications/nhs-charities-guidance/nhs-charities-guidance>

⁵ Section b. The agency of staff in receiving donations [NHS charities guidance - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/publications/nhs-charities-guidance/nhs-charities-guidance)

Charity's financial position, its investment policy and performance and reviewing the reserves policy and status.

It also reviews statutory returns for presentation to the corporate trustee (the annual report, accounts and Charity Commission annual return.) It also reviews all financial risks (risk register), appoints LUH Charity's auditor and authorises any internal audits.

As detailed in the cycle of business, a finance and investment update are a permanent agenda item. Grant making reports, according to delegated limits set out in this document, are received for assurance and grant applications beyond delegated limits are approved/returned by the committee. The risk register is received per cycle and any elevated or new risks are escalated as described in section 11.

10. Ethical, Sustainable Investing

The corporate trustee and its delegates are responsible for ensuring that LUH Charity's funds are invested in an ethical, sustainable manner and that the highest levels of corporate governance are observed.

An investment policy is in place and investment advisors are appointed by the Charitable Funds Committee. A regular investment update is received according to the cycle of business. Elements that the committee will consider when reviewing investments include impact on:

- climate
- employment practices
- sustainability
- human rights
- community impact
- executive compensation
- board accountability.

11. Managing risk

LUH Charity manages risk using the corporate trustee's organisational risk management system, together with a risk management policy. Key elements include, but are not restricted to, significant risks to the delivery of LUH Charity's strategic objectives (see also Trustee Checklist in the appendices) e.g.

- current strategic plan and forward planning
- use of resources
- operating costs management
- reputational risks
- supervision of fundraisers
- delegated limits and decision making
- capacity and capability of inhouse fundraising team

- safeguarding
- volunteer management
- arrangements with commercial partners
- donor due diligence
- third party agreements
- counter fraud and crime
- compliance with statutory obligations
- effectiveness of financial controls
- essential policies.

Overview and assurance:

- All risks are reviewed at monthly Charity team meetings.
- Risks 10+ are reported to Charitable Funds Committee meetings.
- Risks 12+ are also escalated to the Corporate Trustee via the CFC Chair's assurance report.

12. Policies

The following core policies are in place/in development at LUH Charity which adopts the policies of the Corporate Trustee unless indicated.

- Safeguarding (adults/children)
- Volunteering (volunteer services)
- Complaints and Concerns
- Media and social media policy
- Managing VIP and Celebrity Visits
- Managing Conflicts of interest/ Anti-Fraud, bribery and corruption
- Reserves Policy
- Investment policy
- Income policy
- Fundraising policy
- Expenditure policy
- Research policy
- Privacy policy
- Equality Impact analysis
- Data Protection
- Whistleblowing
- Register of Corporate Trustee member interests
- Refusals, Refunds and Returns policy.
- Risk Management Policy – LUH Charity
- Gifts in Kind SOP

13. Due Diligence, Monitoring and Verification of End Use⁶

The Charitable Funds Committee members and/or its delegates have effective processes in place to provide adequate assurances about the identity of donors, particularly substantial donors, and to verify this where it is reasonable and necessary to do so. This is embedded in LUH Charity fundraising/accounting practice (with the assistance of NHS Counter Fraud if required) and the teams ensure:

- they know who those individuals are.
- where the risks are high, appropriate checks are carried out.
- they are able to demonstrate that charitable funds have been used for the proper purposes for which they were intended.
- there is an audit trail showing the expenditure of funds by the applicant.
- the funds were received by the applicant and if the applicant forwarded those funds on, there is an audit trail to show this.
- the applicant has actually delivered the project and charitable work expected.
- LUH Charity's funds have been used for the purposes for which they were intended, and the beneficiaries identified by LUH Charity have benefitted.
- any concerns that need to be dealt with are identified.

14. Closure or dissolution of LUH Charity

In the event that LUH Charity needs to be dissolved, the following apply/are in place:

1. **A ringfenced reserves fund** is held to cover winding up costs including operating costs including pay, non-pay, governance, insurance, professional fees and any redundancy payments if applicable.
2. **The ability to transfer the balance of funds to another charity** (or other charities) with objects that are the same or similar to LUH Charity's own, for the general purposes of the recipient charity (or charities); or to any charity for use for particular purposes which fall within LUH Charity's objects.
3. **The winding up decision must be recommended by the Charitable Funds Committee** to the Corporate Trustee for resolution.
4. **Prompt notification to the Charity Commission that LUH Charity has been dissolved** and submit LUH Charity's final accounts.

⁶ Charity Commission

Appendices

1. Terms of Reference
 - a) Charitable Funds Committee
 - b) Grant Making Panel
 - c) Small Grants Group
2. Essential Information for the Corporate Trustee and CFC
3. Trustee Checklist
4. Version control tracker

Liverpool University Hospitals NHS Foundation Trust

Charitable Funds Committee – Terms of Reference

Authority/Constitution

1. The Committee is constituted as a standing committee of the Trust's Board of Directors. Its constitution and terms of reference shall be as set out below, subject to amendment at future Board of Directors' meetings.
2. The Committee is authorised by the Board to act within its terms of reference. All members of staff are directed to co-operate with any request made by the Committee.
3. The Committee is authorised by the Board of Directors to instruct professional advisors and request the attendance of individuals and authorities from outside the Trust with relevant experience and expertise if it considers this necessary or expedient to the carrying out of its functions.
4. The Committee is authorised to obtain such internal information as is necessary and expedient to the fulfilment of its functions.

Board of Directors

- Board of Trustees
- Approves Charitable Funds Committee terms of reference, Annual Report and Financial Statements

Charitable Funds Committee

- Ensures the requirements of the Charity Commission and other relevant regulatory and statutory frameworks are complied with
- Ensures charitable donations are administered efficiently and appropriately
- Approves grant applications of more than £50,000

Chief Finance Officer

- Treasurer to the Charitable Funds Committee
- Ensures management and accounting arrangements are compliant with legislation

Purpose

5. To ensure the requirements of the Charity Commission and other relevant regulatory and statutory frameworks are complied with and to ensure that charitable donations are administered efficiently and legally and directed promptly towards appropriate charitable activity in accordance with the donor's wishes.
6. The Committee will ensure that risks relevant to the Committee's purpose are minimised through the application of the Trust's risk management system via LUHFT Charity's Risk Register. This will include but not be restricted to the consideration of significant risks to the delivery of the Trust's strategic objectives, through review and scrutiny of the relevant risks from the Board Assurance Framework (BAF) and the divisional/corporate risk registers requiring consideration in accordance with the risk management policy.

7. In order to fulfil its role, the Committee will undertake the following:
 - Maintain and approve appropriate policy documents to ensure that the legal and administrative duties of the Corporate Trustee are met on behalf of the Board of Directors.
 - Monitor charitable funds, approve the creation of new funds within the umbrella fund and ensure a periodic review of existing funds takes place.
 - Ensure appropriate procedures are in place to control expenditure and ensure it is in accordance with the objectives of the funds.
 - Establish a strategy for charitable funds and, on the basis of professional advice, determine an investment policy within this strategy.
 - Review the Annual Report and Financial Statements and ensure consistency with the Charity Commission's Statement of Recommended Practice.
 - Receive the auditors' report on the Annual Report and Financial Statements and recommend their formal approval to the Board of Directors.
 - Oversee the administration of the Charity and ensure its spending is in accordance with the objectives set by the Board of Directors as Corporate Trustee and supports the delivery of the Trust's strategic priorities: Great Care; Great People; Great Research & Innovation; and Great Ambitions.
 - Ensure proactive management of the pipeline of funding applications and that the Charity's income does not accumulate unless there is a specific future use in mind.
 - Act in the best interests of the Charity and in such manner as meets the requirements of the Charity Commission.
 - Establish and maintain a charitable funds risk register.
 - Authorise charitable funds expenditure over £5000.
 - Refer any matters of concern to the Trust's Board of Directors.

8. Whilst the Committee has been established by the Board of Directors to carry out specific functions as noted in this document, it is important to note that the Trust retains ultimate responsibility, via its Board of Directors, for discharging its duties and responsibilities as the Charity's Corporate Trustee. To that end, the Board of Directors has absolute discretion over the activities and decisions of the Committee.

Membership

9. The Committee shall be composed of the following members:
 - a. Non-Executive Director (Chair)
 - b. Non-Executive Director
 - c. Chief Finance Officer
 - d. Chief Nurse/Medical Director (shared membership)
 - e. Director of Communications
10. The following are required to attend and participate in the meetings of the Committee in a non-voting capacity:
 - a. Assistant Director of Finance (with responsibility for Charitable Funds)
 - b. Finance Manager (Charitable Funds)
 - c. Head of Fundraising
 - d. Chief People Officer
 - e. Director of Strategy
 - f. Divisional representative (at the request of the Committee)
 - g. Professional Investment Advisor/Manager (at the request of the Committee)
 - h. Internal or External Audit (at the request of the Committee)
11. The Committee will be deemed quorate when 2 out of 5 members including the Non-Executive Director (chair) are present (tele-conferencing will be permitted, if necessary).
12. Members of the Board of Directors to attend one meeting a year as a minimum ex officio.
13. Other management or clinical staff may be co-opted or requested to attend for specific agenda items as necessary.

Requirements of Membership

14. Members of the Committee must attend at least 75% of all meetings each financial year but should aim to attend all scheduled meetings. Attendance at the Committee will be recorded and monitored.

Equality Diversity & Inclusion

15. In conducting its business, the Committee will at all times seek to promote its commitment to equality and diversity by the creation of an environment that is inclusive for both our workforce, patients and service users including those who have protected characteristics and vulnerable members of our community.

Reporting

16. The minutes of all meetings of the Committee shall be formally recorded and submitted to the following meeting for approval.

17. The Committee will report to the Board of Directors after each meeting via an assurance report which will provide an overview of the discussions at the meeting, details of any matters in respect of which actions or improvements are needed and decisions taken.
18. The Committee will report annually to the Board of Directors in respect of the fulfilment of its functions.
in connection with these terms of reference. This will include an evaluation of its performance according to a standardised framework and process.

Administration of Meetings

19. Meetings shall ordinarily be held quarterly with additional meetings held on an exceptional basis at the request of the Chair.
20. The Director of Corporate Affairs/Company Secretary will make arrangements to ensure that the Committee is supported administratively. Duties in this respect will include taking minutes of the meeting and providing appropriate support to the Chair and Committee members.
21. Agendas and papers will be circulated at least 5 working days (or 4 working days plus a weekend) in advance of the meeting.
22. Minutes will be circulated to Committee members as soon as is reasonably practicable.

Review

23. The Terms of Reference of the Charitable Funds Committee shall be reviewed by the Committee and submitted to the Board of Directors for review and approval at least annually.

Liverpool University Hospital Charity Grant Making Panel Terms of Reference

Authority/Constitution

The Grant Making Panel is constituted by the Charitable Funds Committee (CFC). Its terms of reference shall be as set out below, subject to amendment at future CFC meetings.

All members of staff are directed to cooperate with any request made by the Committee.

Purpose

To ensure the requirements of the Charitable Funds Committee are complied with to ensure that charitable funds applications are received, reviewed, assessed and approved/deferred/rejected in line with the assessment process.

Membership

- Assistant Director of Finance (Chair)
- Executive Managing Director (Aintree Hospital) and/or Executive Managing Director (Royal Hospital) or a nominated deputy
- Chair of Medical Board
- Chair of St Paul's Eye Research Foundation
- Associate Director Organisational Development
- Head of Research and Innovation
- Head of Fundraising
- Finance Manager – Charity

In attendance

- Assistant Charity Accountant
- Other management or clinical staff as required at the request of the panel.

The panel will be deemed to be quorate when the Chair, at least one Executive Managing Director, at least one Head of Medical or Research or Innovation, the Charity Finance Manager and the Head of Fundraising OR their nominated deputies are present.

Duties

The Grant Making Panel will convene bi-monthly to:

- Receive charitable funds grant applications that are >£10K including VAT.
- Review and assess applications and make recommendations to the CFC for applications that exceed £50K inc. VAT.
- Reach consensus to approve/defer/decline applications based on the establishment matrix.
- Escalate any issues or concerns to the Charitable Funds Committee
- Review risk(s) associated with grant decisions and escalate if necessary.
- Act in the best interests of the Charity

Delegated authority

The Grant Making Panel has delegated authority from the Charitable Funds Committee to approve funding applications up to £50K inc. VAT.

Reporting

The decisions of all meetings of the Panel shall be formally recorded on an established template and submitted to the Charitable Funds Committee for assurance and/or escalation where required.

Administration of Meetings

Meetings shall ordinarily be held bi-monthly with additional meetings held on an exceptional basis at the request of the Chair and will be held either in-person or by electronic means.

All applications will be submitted to the Panel at least three working days before the meeting, together with the standard assessment matrix.

Decisions will be recorded and any escalations/additions to the Charity Risk Register submitted to the subsequent Charitable Funds Committee.

Review

The Terms of Reference of the Grant Making Panel will be reviewed at least annually.

Version Control Schedule

Date	Version no	Main changes proposed	Date approved by CFC

LUH Charity Small Grants Group Terms of Reference

Authority/Constitution

The Small Grants Group is constituted by the Charitable Funds Committee (CFC). Its terms of reference shall be as set out below, subject to amendment at future CFC meetings.

All members of staff are directed to cooperate with any request made by the Committee.

Purpose

The Small Grants Group meets monthly and is designed to quickly approve small applications which are more often patient experience related and therefore time sensitive. The SGG:

- Ensures the requirements of the Charitable Funds Committee are complied with to ensure that charitable funds applications are received, reviewed, assessed and approved/deferred/rejected in line with the assessment process.
- Has delegated authority from CFC to approve grant applications less than £10K inc. VAT.
- Provides assurance through a comprehensive small grants' outcomes report provided to the next available Charitable Funds Committee as per the cycle of business.

Membership

- Assistant Director of Finance – Chair
- Associate Director of Organisational Development
- Director of Fundraising – St Paul's
- Head of Fundraising
- Finance Manager – Charity
- Clinical representative x 1

In attendance

- Assistant Charity Accountant
- Other management or clinical staff as required at the request of the Group.

The panel will be deemed to be quorate when the Chair, the Charity Finance Manager and the Head of Fundraising OR their nominated deputies are present.

Duties

The Small Grants Group will convene monthly to:

- Receive charitable funds grant applications that are up to £10K including VAT.
- Reach consensus to approve/defer/decline applications based on the establishment matrix.
- Escalate any issues or concerns to the Charitable Funds Committee
- Review risk(s) associated with grant decisions and escalate if necessary.
- Act in the best interests of the Charity

Delegated authority

The Small Grants Group has delegated authority from the Charitable Funds Committee to approve funding applications up to £10K inc. VAT.

Reporting

The decisions of all meetings of the Group shall be formally recorded on an established template and submitted to the Charitable Funds Committee for assurance and/or escalation where required.

Administration of Meetings

Meetings shall ordinarily be held monthly with additional meetings held on an exceptional basis at the request of the Chair and will be held either in-person or by electronic means.

All applications will be submitted to the Group at least three working days before the meeting, together with the standard assessment matrix.

Decisions will be recorded and any escalations/additions to the Charity Risk Register submitted to the subsequent Charitable Funds Committee.

Review

The Terms of Reference of the Small Grants Group will be reviewed at least annually.

Version Control Schedule

Date	Version no	Main changes proposed	Date approved by CFC
22.4.24	1	Added to Small Grants Group ToR <ul style="list-style-type: none"> • Associate Director of Organisational Development • Director of Fundraising – St Paul's 	
22.4.24	1	Added to Grant Making Panel ToR <ul style="list-style-type: none"> • Chair of St Paul's Eye Research Foundation • Associate Director Organisational Development Title change: Chair of Medical Board	

Essential Information for the Corporate Trustee and Charitable Funds Committee Members⁷

- ✓ LUH Charity's objects/purposes as set out in its governing document.
- ✓ LUH Charity's aims and objectives.
- ✓ Assurance that all of LUH Charity's activities further or support its purposes.
- ✓ The extent to which LUH Charity benefits the public by carrying out its purposes.
- ✓ Evaluation of the charitable funds committee effectiveness
- ✓ Annual cycle of business in place including accounts, reports, presentations, applications and other materials
- ✓ Periodic skills, knowledge and experience evaluation of the Charitable Funds Committee members
- ✓ Communications plan for those with an interest in LUH charity - donors, supporters, beneficiaries, partners, staff and volunteers.
- ✓ Sufficient oversight and knowledge of the activities of external people and organisations acting on LUH Charity's behalf.
- ✓ Access to any required guidance/advice to ensure decisions are made in the best interests of LUH charity and its beneficiaries.
- ✓ Management of conflicts of interests
- ✓ Management of risk
- ✓ Assurance on the safeguarding process and policy.

See also: The Essential Trustee – Charity Commission⁸

⁷ [Charity governance, finance and resilience: 15 questions trustees should ask - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/publications/charity-governance-finance-and-resilience-15-questions-trustees-should-ask)

⁸ [The essential trustee: what you need to know, what you need to do - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/publications/the-essential-trustee-what-you-need-to-know-what-you-need-to-do)

Trustee Checklist

Taking responsibility for LUH Charity's Fundraising: A Checklist for Trustee(s)

Planning effectively

We have set or agreed our fundraising strategy/plan.	
--	--

It reflects:

• our charity's values	
• the resources we use and the costs we incur in our fundraising	
• the key financial and reputational risks we may face	

We discuss it at our meetings so that we can:

• monitor progress	
• manage the key risks	

Supervising our fundraisers

We have considered and decided which fundraising issues we will not delegate.	
---	--

We have effective systems in place so that:

Our in-house fundraising staff:

• know what they are supposed to do, via written role descriptions	
• are doing the job successfully	

Our recruited volunteers:

• know who they report to, and who to approach with problems or concerns	
• understand the boundaries within which they must work when representing our charity	

Our arrangements with any commercial partners:

• fully comply with relevant legal requirements	
• are in our charity's best interests	
• appropriate due diligence is undertaken	
• our fundraising values and expectations are communicated	
• the costs are justifiable and can be explained	
• proper control is kept of the money raised	
• the fundraising communications to be used are reviewed	
• compliance with the agreement is monitored	
• any conflicts of interest are recognised and dealt with.	

Protecting our charity's reputation, money and other assets

We have effective systems in place so that:

• the reputational risks our charity may face in its fundraising are identified, assessed and managed	
• likely donor, supporter and public perception is considered when income expectations and other goals are considered	
• the legal rules and recognised standards which apply to our fundraising are followed	
• we have considered whether our appeal should have a secondary purpose	
• our values are communicated to the people who work on our fundraising	
• the costs of our fundraising are managed and explained	

• our fundraising finance is planned and monitored	
• effective financial controls are in place and followed	
• risks of financial crime and fraud are reduced	
• our charity is alerted to any suspicious donations	
• our charity can stop (or authorise) any unauthorised fundraising activity which is using its name	
• serious incidents are reported to the Commission, police and other agencies	
• our data, name, image logo and intellectual property are protected	

Following the law and recognised standards

We have effective systems in place so that:

• the Code of Fundraising Practice and other resources are used to find out about the legal rules and recognised standards which apply to our fundraising	
• these rules and standards are followed	

Be open and accountable.

We have effective systems in place so that:

• any legal rules and requirements that apply to how our charity reports on and accounts for its fundraising are complied with	
• our open and accessible complaints procedures are followed if concerns are raised about our fundraising	
• our fundraising aims and achievements are clearly communicated to the public and to donors and supporters	

LIVERPOOL UNIVERSITY HOSPITALS NHS FOUNDATION TRUST

CHARITABLE INVESTMENT MANAGEMENT GUIDELINES

1.1 INVESTMENT OBJECTIVES

- 1.1 To maximise total return through a diversified portfolio to an acceptable level of risk, assets should be invested in a diversified portfolio which does not have excessive exposure to any specific sector or industry. The portfolio should take into consideration ethical, health and sustainability issues relevant to the Trust.
- 1.2 The portfolio should be in compliance with the Trust's investment powers as interpreted by the Trustee and in accordance with the strategy agreed with the Trustee from time to time. In due course, the Trustee may amend the objectives and strategy.

1.2 INVESTMENT PORTFOLIO

- 1.2.1 The Charity's investment portfolio is administered by a professional Investment Management firm on a discretionary basis and the management of the portfolio is delegated to the Charitable Funds Committee. The administration of the portfolio is put out to tender every 5 years.
- 1.2.2 The Trustee has determined that the objective of holding the investment portfolio is to secure a long term total return on investments.
- 1.2.3 The total return target is CPI +4% over the long term
- 1.2.3 In order to discharge its duties appropriately, the Trustee has approved the following Statement of Policy which the contracted Investment Management firm must adhere to.

1.3 STATEMENT OF POLICY

- a) The prime investment objective will be to maximise financial returns within the context of achieving a maximum total growth between "Income Yield" and "Capital Growth".
- b) The portfolio will be invested in a diversified multi-asset class portfolio and may invest in the following asset classes:
- Cash or near cash instruments, including Money Market Funds
 - Fixed Income Investments: Government, Supranational and Corporate (individual bonds should not have a credit rating lower than BBB)
 - UK Government securities, International sovereign securities & supranational bonds
 - Listed Equities: UK & Global
 - Structured Notes
 - Collective Investment Funds
 - Exchange Traded Funds (ETF)
 - Infrastructure

- Commodities
 - Real Estate
 - Alternative Investments
 - Diversifiers
- c) The Trustee has defined the overall level of risk in the portfolio as moderate. This means that while individual investments may carry higher or lower levels of risk, a balanced approach to risk is required.
- d) It is intended that the maximum value of one equity holding will not materially exceed 7.5% of the total equity value within the portfolio.
- e) It is intended that the maximum value of one Collective investment fund or ETF will not materially exceed 10% of the total equity value within the portfolio.
- f) The portfolio should be diversified by asset class, geography and sector.
- g) Speculative or hazardous investments will not be made. These include futures, options and contracts for differences; including Contingent Liability Transactions, as these investments carry excessive risk.
- h) The following trading arrangements will not be entered into:
- a. Trading “adventures”.
 - b. Collective Investment Schemes which are not regulated Collective Investment Schemes including Schemes operated by us or Associates
- i) Careful consideration will be given to any ethical, health and sustainability issues arising in respect of investments. Where it is felt that an investment is in conflict with the Charity’s objectives and/or Government policies, no investment will be made (Please refer to Ethical Investment Policy)
- j) As a minimum requirement, portfolio valuations will be presented to Charitable Funds Committee meeting’s twice a year. (The Committee is able to informally access ad-hoc on-line valuations basis based upon the previous working day’s closing position, and also receive quarterly valuation reports.)
- k) Any investment which is not immediately realisable (within 10 days) requires approval from the Charitable Funds Committee. These should be minimised and only approved where there are significant benefits and minimal risk of requiring these funds prior to realisation.

1.4 PERFORMANCE AND STRATEGY REVIEW

- 1.4.1 The Charitable Funds Committee will review the portfolio at each Committee meeting and receive a performance presentation from the Investment Management firm on an annual basis, as a minimum.
- 1.4.2 The performance of the portfolio(s) will be evaluated against a suitable benchmark measure approved by the Trustee.

Long Term Target: CPI +4%

- 1.4.3 On an annual basis, the Charitable Funds Committee will review a three year income and expenditure plan in order that short, medium and long-term investment objectives can be determined.
- 1.4.4 Charity investment objectives and portfolio strategy will be reviewed annually and at any time that the Charitable Funds Committee deem it appropriate. However, amendments to the investment strategy must be approved the Board of Directors, as the Corporate Trustee.
- 1.4.5 Where it is considered that funds are likely to be spent within the next six months, they should not be made available for investment within the portfolio.
- 1.4.6 The issues on which the Chief Finance Officer shall be required to provide advice to the Charitable Funds Committee shall include:
- the formulation of investment policy which meets statutory requirements and Department of Health guidance with regard to income generation and the enhancement of capital value; and which complies with any restrictions on investment choice contained within any relevant charitable deeds;
 - the appointment of advisers, brokers and, where appropriate, investment fund managers and: -
 - the Chief Finance Officer shall recommend the terms of such appointments; and for which written agreements shall be signed by the Chief Executive;
 - pooling of investment resources and the preparation of a submission to the Charity Commission for them to make a scheme;
 - the participation by the Trust in common investment funds and the agreement of terms of entry.

Review

This policy will be reviewed on an annual basis.

LIVERPOOL UNIVERSITY HOSPITALS NHS FOUNDATION TRUST

CHARITABLE ETHICAL INVESTMENT GUIDELINES

1.5 ETHICAL & SUSTAINABILITY OBJECTIVES

- 1.3 The purpose of this document is to set out how we wish for the investment portfolios to be managed in accordance with the values of the Trust. The Trust wish for the portfolio to reflect the values and ethics of the Charity.

1.6 ETHICAL RESTRICTIONS

- 1.6.1 The trust wish for the portfolio to exclude direct holdings in certain sectors – below is the list of direct holding exclusions, their definitions and thresholds.

Alcohol:

All companies deriving 5% or more revenue from the production of alcohol-related products, or those deriving 15% or more aggregate revenue from the production, distribution, retail and supply of alcohol-related products.

Gambling:

All companies deriving 5% or more revenue from ownership of operation of gambling-related business activities, or those deriving 15% or more aggregate revenue from gambling-related business activities.

Tobacco:

All companies classified as a "Producer", or those that derive 5% or more aggregate revenue from the production, distribution, retail and supply of tobacco-related products.

Adult Entertainment:

All companies deriving 5% or more revenue from the production of adult entertainment materials, or those deriving 15% or more aggregate revenue from the production, distribution and retail of adult entertainment.

Armaments:

Conventional Weapons: All companies deriving 5% or more from the production of conventional weapons, or those that derive 15% or more aggregate revenue from weapons systems, components, and support systems and services. **Nuclear Weapons:** All companies that manufacture nuclear warheads or missiles, components, or delivery platforms for use in nuclear weapons. **Controversial Weapons:**

All companies with any ties to controversial weapons, including companies involved in the manufacturer and production of cluster munitions, landmines, depleted uranium manufacturer, biological and chemical.

Civilian Firearms: All companies classified as a "Producer", or those that derive 5% or more revenue from the distribution of civilian firearms.

Fossil Fuels:

Any investment in fossil fuels should be done on a best of sector basis from an environmental perspective. This will include all companies that have proven and probable coal reserves and/or oil and natural gas reserves used for energy purposes. Reserves are considered to be used for energy purposes in the case of companies with the following Global Industry-Classification Standard (GICS) classification:

(a) Oil, Gas and Consumable Fuels Industry (b) Energy Equipment and Services Industry (c) Utilities Sector (d) Diversified Metals and Mining Sub-Industry.

1.7 ENVIRONMENTAL, SOCIAL & GOVERNANCE

- 1.7.1 The Trust requires the portfolio manager to consider Environmental, Social and Governance (ESG) factors when constructing the portfolio and making investment decisions.
- 1.7.2 The manager shall vote and engage with the underlying companies to promote best practice and long-term sustainability.
- 1.7.3 The manager shall provide, upon request, reports on ESG, Voting & Engagement relevant to our investment portfolio.

1.8 UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (UN SDGs)

- 1.8.1 The portfolio will be invested in a globally diversified multi-asset class portfolio, subject to the ethical restrictions outlined above and consideration of ESG factors. The trust is keen to maximise risk-adjusted return on the investments and where possible have a positive influence on the world.
- 1.8.2 To this end, the portfolio manager is required to consider the 17 UN SDGs when making an investment decision. How a company is seeking to address at least one of these goals and supporting the aims of the UN SDGs.

1.5 REVIEW

- 1.5.1 This policy will be reviewed on an annual basis.

LIVERPOOL UNIVERSITY HOSPITALS NHS CHARITABLE FUND

England & Wales - Charity number 1047988

Accounts



**Liverpool University Hospitals NHS
Charitable Fund**
**(formerly Royal Liverpool and Broadgreen
University Hospitals NHS Trust Charitable
Funds)**

Registered Charity Number 1047988

**ANNUAL REPORT
&
FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 MARCH 2023

**Royal Liverpool University Hospital
Prescot Street
Liverpool
L7 8XP**

Liverpool University Hospital NHS Charitable Fund
(formerly Royal Liverpool & Broadgreen University Hospitals NHS Trust Charitable Funds)

**ANNUAL REPORT
& FINANCIAL STATEMENTS 2022/2023**

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**LIVERPOOL UNIVERSITY HOSPITALS NHS CHARITABLE FUND
(FORMERLY ROYAL LIVERPOOL & BROADGREEN UNIVERSITY HOSPITALS
NHS TRUST CHARITABLE FUNDS)**

Registered Charity No 1047988

ANNUAL ACCOUNTS 2022-23

The accounts of the funds held on trust by the Liverpool University Hospitals NHS Foundation Trust.

FOREWORD

These financial statements have been prepared by the Trustees in accordance with the Charities Act 2011 and the Charities Statement of Recommended Practice (SORP) (FRS 102) 2019.

STATUTORY BACKGROUND

The NHS Trust is the corporate trustee of the funds held on trust under paragraph 16c of Schedule 2 of the NHS and Community Care Act 1990. Royal Liverpool and Broadgreen University Hospitals NHS Trust dissolved on the 30th September 2019, joining with Aintree University Hospital NHS Foundation Trust to become a combined organisation named Liverpool University Hospitals NHS Foundation Trust from 1st October 2019.

MAIN PURPOSE OF THE FUNDS HELD ON TRUST

The main purpose of the charitable funds held on trust is to apply income for any charitable purpose relating to the National Health Service wholly or mainly for the services provided by the Liverpool University Hospitals NHS Foundation Trust.

**LIVERPOOL UNIVERSITY HOSPITALS NHS CHARITABLE FUND
(FORMERLY ROYAL LIVERPOOL AND BROADGREEN UNIVERSITY
HOSPITALS NHS TRUST CHARITABLE FUNDS)**

STATEMENT OF TRUSTEE'S RESPONSIBILITIES

The Trustee is responsible for preparing the Trustees' Annual report and the financial statements in accordance with applicable laws and regulations.

The Charities Act 2011 requires the trustees to prepare financial statements for each financial year. The trustees have to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. The trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period.

In preparing these financial statements, the Corporate Trustee is required to:

- select suitable accounting policies and 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 to operate.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and 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. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Trustee confirms that it has met the responsibilities set out above and complied with the requirements for preparing the accounts. The financial statements set out on pages 25 to 42 attached have been compiled from and are in accordance with the financial records maintained by the Trustee.


The 2022/23 Annual Report & Accounts have been approved by the Trust Board, at a meeting held on 30th November 2023.

By Order of the Trustee

Signed:

Chair 

Dated 21/12/2023

Financial Trustee 

Dated 21/12/2023

CHARITABLE FUNDS

TRUSTEE REPORT

Introduction

It is with pleasure that the Trust presents the twenty-seventh annual report for the Charitable Funds of the Liverpool University Hospitals NHS Foundation Trust (formerly Royal Liverpool and Broadgreen University Hospitals NHS Trust).

The Trust is the sole corporate trustee for all charitable funds registered under the name of the Liverpool University Hospitals NHS Charitable Fund (formerly Royal Liverpool and Broadgreen University Hospitals NHS Trust Charitable Funds), the **main** charity of the Trust.

The **main** charity is the charity that has been created with purposes wide enough for all other charities administered by its Trustee to be recorded as **special trusts** in an *umbrella* registration arrangement.

This report and financial statements have been prepared in accordance with the requirements of applicable law and SORP (FRS 102).

Legal and Administrative Details

In June 1995, the Charity Commission issued an Umbrella Charity Registration Number, under which all the individual charitable funds administered by the Trustee have been recorded as special trusts. The umbrella charitable fund is held upon trust for "any charitable purpose or purposes relating to the National Health Service". Special trusts are funds (or property) held on separate trusts, on behalf of the charity, for any special purposes of that charity. These funds are referred to as restricted funds where the donor has imposed a restriction on how or where or when the Trustee can apply the funds. A schedule of the special trusts is appended (Appendix A).

The Liverpool University Hospitals NHS Foundation Trust is the Corporate Trustee of the Charitable Funds governed by the law applicable to Trusts, principally the Trustee Act 2000 and also the Charities Act 2011, the SORP (FRS 102) and the Trust Deed.

The **registered charity number** of the Liverpool University Hospitals NHS Charitable Fund is **1047988**. The Registered address is:

Royal Liverpool University Hospital
Prescot Street
Liverpool L7 8XP

The corporate trustee of Liverpool University Hospitals NHS Foundation Trust also oversees a second NHS charity, The Aintree University Hospital Charitable Fund (charity registration number 1050542). The Charity Commission has approved an order for the assets and liabilities of the Aintree Charity to be transferred over to the RL&BUHT charity, and this has been acted upon at the start of the 2022/23 financial year. The RL&BUHT Charity also amended its name to reflect this change and is now known as Liverpool University Hospitals NHS Charitable Fund. The name change was agreed by the Charity Commission on 22nd September 2022.

The charity is administered by the **Charitable Funds Committee**, which consists of executive and non-executive directors of the Trust, on behalf of the Trust Board. The committee meets bi-monthly to set and monitor administrative policy and consider spending applications. Membership of the Charitable Funds committee is decided by the Trust Board as vacancies arise. Executive members of the Trust Board are subject to recruitment by the Board whereas Non-Executive members are appointed by NHS England. Members of the Trust Board and the Charitable Funds Committee are not individual trustees under Charity Law but act as agents on behalf of the Corporate Trustee. New Charitable Funds Committee members are provided with induction literature that includes the committee's terms of reference; Trustee's Annual report and Accounts; previous committee minutes and the Charity Commission booklet CC3, *the Essential Trustee*. The "charitable funds section" within the Trust's finance department, is responsible to the committee for the day-to-day administration of all charitable matters.

During 2022/23 the Charitable Funds Committee comprised of:

Mr Ibrahim Ismail	Non-Executive Director (Committee Chair)
Mr Robert Forster	Deputy Chief Executive & Chief Finance Officer
Ms Elaine Inglesby-Burke	Interim Chief Nurse until June 2022
Mr John Brennan	Interim Medical Director until June 2022
Mr Jim Gardner	Medical Director from July 2022
Mr David Melia	Chief Nurse from July 2022
Mr Neil Wilcox	Non-Executive Director to March 2023
Mr David Gilbert	Non-Executive Director from December 2022

The Trust's charitable funds are held distinct from the exchequer funds of the Liverpool University Hospitals NHS Foundation Trust. The charity's bank accounts are held at:

NatWest	and	Barclays Bank plc
2 nd Floor		48B/50 Lord Street
280 Bishopsgate		Liverpool L2 1TD
London EC2M 4RB		

The charitable funds investments are held by Bankers Trust, as nominee for the Trustee. The investments are managed on behalf of the charity by the following three investment managers:

Rathbone Investment Management Ltd	UBS AG	Investec Wealth & Investment Ltd
Port of Liverpool Building	5 Broadgate	100 Old Hall Street
Pier Head	London EC2M 2AN	Liverpool
Liverpool L3 1NW	EC2M 2AN	L3 9AB

Legal advice is provided to the Trustee by:

Hill Dickinson Solicitors
No 1 St Paul's Square
Liverpool L3 9SJ

The Trustee responsibilities, which include the maintenance of financial records appropriate to the activities of the funds; the establishment and monitoring of a system of internal control; safeguarding the assets of the funds held on trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities; are subject to "internal audit" verification by:

Mersey Internal Audit Agency
Regatta Place
Brunswick Business Park
Summers Road
Liverpool L3 4BL

The appointed auditors are.

Bennett Brooks & Co Limited
St George's Court
Winnington Avenue
Northwich CW8 4EE

Objectives

The Charity's umbrella fund has NHS wide objectives 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.

Within this overall governing framework provided by the umbrella, the charity has 111 separately registered charitable funds with their own specific objectives, restricting the NHS criteria above to particular areas of activity and/or particular services, departments and Hospitals that are, primarily, under the management of the organisation (The latter rule provides some flexibility to allow individual charities to support activities outside the control of the Trust). In addition, there is also a separately registered Common Investment fund.

The operation of such a large number of individual funds within a complex NHS organisation could potentially lead to divergent policies. However, the Charitable Funds Committee operates as a unifying force, working closely with delegated fundholders and senior managers to ensure that all funds are utilised for the benefit of the organisation as a whole and as part of the overall strategic direction of the Trust.

The main aim of the charity is to improve the provision of high-quality patient care, working with the Trust to develop services throughout the organisation, focusing on areas not covered or fully supported by exchequer funds. This will include the improvement of the Hospital environment for both patients and staff and supporting better facilities for the Trust. As large acute teaching hospitals, the Trust also has significant links with the local universities, particularly the University of Liverpool. Another important aim of the charity is therefore to provide financial aid to support and encourage our clinicians in new research projects, many of which are co-ordinated through the University of Liverpool.

Annual Report and Accounts

Incoming resources to the Trust's charitable funds totalled £2,795k for the year ended 31 March 2023, a rise of £1,508k on the previous twelve months total of £1,287k. However, this included net assets of £961k transferred over from the Aintree University Hospital charity and so the actual comparable rise in income was £547k income from last year. This was due to donations rising by £211k to £780k in 2022/23 and also legacy income increasing by £243k to £732k.

Included within these figures are: -

- a) Corporate donations of £393k the largest of which included:
 - i) £299k grant from Bayer for the medical retina (ophthalmology) service
 - ii) £14k from Norton Responsible Recycling for the New Royal Liverpool Hospital Appeal
 - iii) £30k from HSBC to contribute towards refurbishing a learning facility on the Broadgreen Hospital site.
 - iv) £15k from the Police and Crime Commissioners for the Knifesavers Appeal

- b) Donations from individuals amounted to £387k.

The trust's donated income policy, which prescribes how donations should be collected and recorded, is shown in Appendix B.

Legacies from five bequests were received totalling £498k. A further five legacies totalling £234k were also notified and accounted for in the year ended 31st March 2023. The largest single bequests being:

- i) £297k from the estate of Mr Simon Bywater (deceased).
- ii) £182k from the estate of John Gilmartin (deceased) made up of two separate bequests of £91k each.
- iii) £174k from the estate of Sylvia Haslam (deceased).

The total legacies accounted for during 2022/23 amounted to £732k, an increase of £243k on the previous year's figure of £489k.

Investment income totalling £321.6k was earned during the year, a rise of £93.1k on the previous year's figure of £228.5k. Dividends from equity stocks and gilts provided £291.6k, and £30.2k was earned from interest on cash balances held (£1.7k in 2021/22).

Fundraising

We raise money for the many charitable funds across the Trust and the focus in 2022/23 was to support various initiatives throughout the organisation.

The Charity makes use of fundraisers employed by the Liverpool University Hospitals NHS Foundation Trust, and subject to control and supervision by the Hospital Trust. There were no complaints received about the fundraising activity undertaken during 2022/23.

As always we are extremely grateful to the individuals and groups who fundraise for our charity and provide any other support.

The charity also continues to support fundraising for the Foundation for the Prevention of Blindness Fund research charity.

Expenditure

Direct charitable expenditure for the year was £1,989k, an increase of £774k on 2021/22 spend of £1,215k. Expenditure accounted for in 2022/23 included contributions to Staff Welfare and Amenities of £420k; Research and Education grants totalling £194k; Patient Welfare & Amenities totalling £512k and grants of £863k were provided for NHS Capital projects.

Support costs attributable to the grants of £45k brought the total grants figure to £2,034k. A further £428k (including £46k support costs) was incurred in the costs of generating funds for the charity, comprising £360k spent on generating voluntary income and £68k on investment management costs.

Major grants awarded during 2022/23 included: -

- a) £751k funding for specialist equipment and artwork for the new Royal Liverpool Hospital.
- b) £213k from the Foundation for the Prevention of Blindness fund to fit and equip the new Clinical Eye Research Centre, enhancing patient experience with an aesthetically pleasing environment.
- c) £179k from the Cardiac fund this is a pilot study to examine the effect of oral endothelin receptor antagonism on the index of microvascular resistance (IMR).
- d) £160k from the regional dialysis fund this is to purchase 11 fresenius 6008 dialysis machines for home dialysis supporting the growth of home therapies.
- e) £104k from grant received from Bayer for medical retina (ophthalmology) to purchase Optos camera including table and service agreement.

The expenditure invested by the charity in supporting the services provided by the Hospital Trust has had a positive impact on the quality of care that the Trust is able to provide to its

patients and stakeholders not only currently, but also in the future, meeting the overriding aims of the charity.

Governance costs, the central running costs of the charity that are not apportioned out as support costs, totalled £79k. This included salary costs of £40.7k; Audit fees of £16k, and establishment/other expenses of £22.3k. This was an overall rise of £37k on last year's governance costs of £42k, primarily due to additional costs from incorporating activity from the former Aintree University Hospital charity.

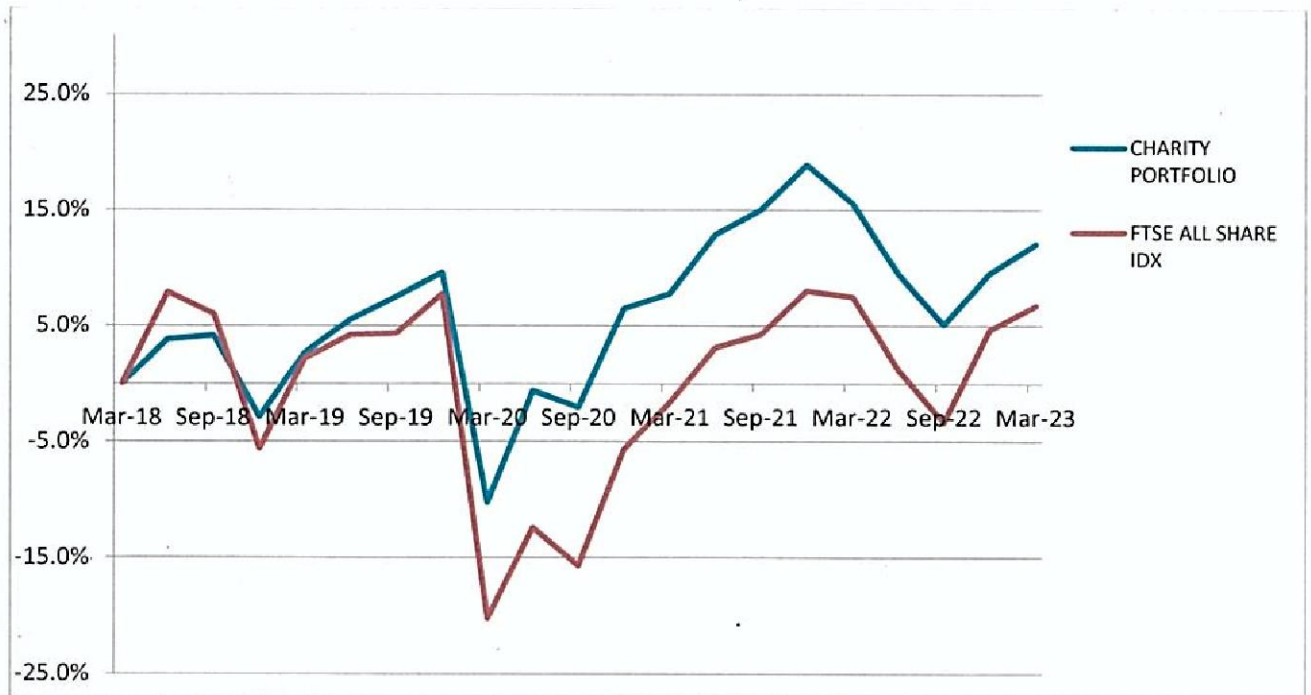
The overall charity spends in 2022/23 was consequently £2,541k in total (£1,784k in 2021/22).

Gains/(losses) on Investment Assets

At the start of the 2022/23 financial year (1st April 2022), the market value of the investment portfolio stood at £9,700k. Investment holdings totalling £2,829k were acquired during the year (including investment holdings of £808k from the transfer of assets from the Aintree University Hospital Charity), while investment holdings with a carrying value of £2,835k were disposed of during the year. The portfolio saw a fall in valuation during 2022/23, with an overall investment decrease of £343k in the financial year following a gain of £710k in 2021/22. This fall during 2022/23 equates to a -3.2% drop in the value of the portfolio, this is a solid performance, but it should be noted that in comparison, the investment markets performed slightly better with the FTSE All-SHARE down just -0.71% over the same 12-month period, and the FTSE-100 up +1.54%. The financial year ended with a closing balance as at 31st March 2023 of £10,159k for the portfolio.

Realised profits/(losses) on sales; unrealised market revaluations and earned income on investments were apportioned to individual funds on a quarterly basis throughout the year. Below is a graphical representation highlighting the rise and fall of the portfolio over the last five years against the FTSE-All Share index, from the end of 2017/18 (31st March 2018) to the end of 2022/23 (31st March 2023):

Table 1: Five-year Investment performance of Charity portfolio vs FTSE-All Share index



The portfolio has increased by 12.1% since 31st March 2018, with the strong rebound in 2020 and 2021 following covid related falls not being maintained in 2023. This growth also equates to a significant over performance against the FTSE-All Share index, which has risen just 6.8% over the same five-year period.

The investment portfolio also generated dividend returns of £302k in 2022/23 (£226.8k in 2021/22).

The investment guidelines operated by the Charitable Funds Investment Committee are shown in Appendix B.

Individual fund investment as part of the Investment Pool is reassessed each quarter end. The aim is to maximise the potential for investment returns taking into account the short-term spending patterns of each fund. The Charitable Funds Investment Committee measure the performance of the investment managers on a total return basis against certain benchmarks, including one comprising the UK FTSE-ALL SHARE (80%) and FTSE UK GILTS (20%).

Balance Sheet

The total net assets of the Trust's Charitable Funds as at 31st March 2023 were £8,452k, a drop of £89k on the previous year's balance of £8,541k. Although overall resources expended through charitable grants and administration were significantly higher than income received, the asset transfer from Aintree University Hospitals mitigated most of this difference. The charity's total net assets comprised: -

- a) total fixed assets of £10,159k solely representing the value of the investment portfolio as at 31st March 2023.

b) total current assets of £1,884k; including:

- i) stocks of £5k in respect of fundraising activities, which have been valued at cost.
- ii) debtors of £382k, including £234k for notified legacies, not yet received.
- iii) cash balances of £1,497k being held to provide cash reserves to each of our registered charities to meet commitments as they arise.

c) creditors falling due within one year of £3,214k.

d) creditors falling due after more than one year of £377k.

Risk Management

The Trustee has drawn up a Risk Management Policy for the Trust as a whole and the Charitable Funds Committee have adopted this policy. The policy details the process to be used in identifying risk and controls, assessing risks, and evaluating the actions required.

The major risks to which the charity is exposed have been identified and considered. They have been reviewed and systems established to mitigate those risks.

The most significant risk identified was possible losses from a fall in the value of the investments and the level of reserves available to mitigate the impact of such losses. This has been carefully considered and there are procedures in place to review the investment policy and ensure that both spending and firm financial commitments remain in line with income.

Reserves

Fund balances as at 31st March 2023 total £8,452k; of which £80k is held as capital in perpetuity and as such cannot be freely expended.

There is a further £387k of funds held in the form of current assets (stocks £5k and debtors £382k) and as such these resources are not immediately available for expenditure.

Grant Making Policy

Bids for charitable grants are considered on their individual merits. All grant requests relating to restricted funds under direct control of the Charitable Funds Committee (General purpose funds), require the completion and submission of a charitable funds' application.

Grant requests relating to restricted funds with delegated fundholders (Special funds only) will require the completion and submission of a charitable funds application if the grant requested is over £5k. All such applications have to then be approved by the committee. A delegated fund-holder is able to authorise bids against their special purpose fund without the need for an application if the grant requested is under £5k. When considering special purpose fund bids,

the committee will determine whether the bid meets all the criteria of the objects of the fund and also supports the development of the particular directorate/department concerned. With regards to general purpose bids, the committee has agreed guidelines to follow.

Public Benefit

The Trustee ensures that all grants and spending plans contain identifiable public benefits, which are clear, understandable, and meet the objects of the particular charity concerned (under the Liverpool University Hospitals NHS Charitable Fund umbrella – formerly Royal Liverpool & Broadgreen University Hospital NHS Trust Charitable Funds).


Section 17 of the Charities Act 2011 explains the duty of Trustee to have due regard to the public benefit in the management and decision making of the Charity. The Trustee has ensured that the public benefit requirement is strongly embedded within the procedures and controls the Charity has in place, through all stages of the grant approval process and also the monitoring of grant expenditure after approval has been given (all grant expenditure is verified before payment that the spend relates to activity set out and approved in the grant application).

Future Plans

As has continually been the case year after year, a major proportion of Charitable funds expended will be allocated to provide significant support, throughout the Trust, for high quality research work amongst our clinicians. The charity will continue to support patient amenity and staff welfare. During 2022/23 the charity also supported the opening of the new Royal Liverpool Hospital in autumn 2022 and provided funding for the purchase of specialist equipment. The charity will continue to seek to support the purchase of highly specialist state of the art equipment wherever possible.

Conclusion

2022/23 has been another strong year for the charity, with the charity being able to commit further significant resources to support the Hospital Trust in improving the patient experience through investment in research, equipment, staff training & wellbeing and service developments. It must be recognised that none of our achievements would be possible without the hard work and generous support of volunteers; individual, corporate and trust donors, and sponsors and patrons alike. A very warm and heartfelt thanks goes out to all, for their dedication and continued support of the Trust's charities.


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.....21/12/2023

Chair

Liverpool University Hospitals NHS Charitable Fund

SCHEDULE OF CHARITABLE FUNDS

Main Charity

Liverpool University Hospitals NHS Charitable Fund.

Special Trusts

1. Royal Liverpool and Broadgreen University Hospitals NHS Trust General Purpose Funds.
2. Broadgreen Hospital General Purpose Fund.
3. Liverpool Dental Hospital General Purpose Fund.
4. Royal Liverpool University Hospital Ophthalmology Unit General Purpose Fund.
5. Royal Liverpool University Hospital General Purpose Fund.
6. Broadgreen Hospital Staff Welfare Fund.
7. Liverpool University Dental Hospital Staff Welfare Fund.
8. Royal Liverpool University Hospital St Paul's Eye Unit Staff Welfare Fund.
9. Royal Liverpool University Hospital Staff Welfare Fund.
10. Broadgreen Hospital Patients Welfare Fund.
11. Liverpool University Dental Hospital Patients Welfare Fund.
12. Royal Liverpool University Hospital St Paul's Eye Unit Patients Welfare Fund.
13. Royal Liverpool University Hospital Patients Welfare Fund.
14. Broadgreen Hospital Anaesthetics Directorate Fund.
15. Broadgreen Hospital Activities and Rehabilitation Unit Fund.
16. Royal Liverpool University Hospital Virology Fund.
17. Royal Liverpool University Hospital Urology Fund.
18. Royal Liverpool University Hospital St Paul's Eye Unit Sight Saver Fund.
19. Royal Liverpool University Hospital Rheumatology Fund.
20. Royal Liverpool University Hospital Ophthalmology Unit Junior Doctor Education Fund.
21. Royal Liverpool University Hospital Respiratory Research Fund.
22. Royal Liverpool University Hospital St Paul's Eye Unit Research into Disease of the Eye Fund.
23. Royal Liverpool University Hospital Renal Transplant Fund.
24. Royal Liverpool University Hospital Renal Units Amenity Fund.
25. Royal Liverpool University Hospital Radiopharmacy Fund.
26. Royal Liverpool University Hospital Radiology Fund.
27. Royal Liverpool University Hospital Parenteral and Enteral Nutrition Fund.
28. Royal Liverpool University Hospital Pain Research Fund.
29. Royal Liverpool University Hospital St Paul's Eye Unit Pace Diabetic Fund.
30. Royal Liverpool University Hospital St Paul's Eye Unit Optic Nerve Research Fund.
31. Royal Liverpool University Hospital Nutrition Research Fund.
32. Royal Liverpool University Hospital Nursing Professional Development Fund.
33. Royal Liverpool University Hospital St Paul's Eye Unit Nurse Training Fund.
34. Royal Liverpool University Hospital Nuclear Medicine Fund.
35. Royal Liverpool University Hospital Movement Disorders in the Elderly Fund.
36. Royal Liverpool University Hospital Department of Psychiatry Fund.
37. Bequest by Dr Jack Bernstein.
38. Royal Liverpool University Hospital Continuing Care Fund.
39. Royal Liverpool University Hospital Colorectal Cancer Fund.
40. Sir John Joseph Shute Charity.
41. Royal Liverpool University Hospital Chemical Pathology Fund.

42. Royal Liverpool University Hospital Chapel Fund.
43. Royal Liverpool University Hospital Cardiac Fund.
44. Royal Liverpool University Hospital Cancer Research Fund.
45. Royal Liverpool University Hospital Breast Cancer Fund.
46. Royal Liverpool University Hospital Bacteriology Fund.
47. Broadgreen Hospital Training Unit Fund.
48. Liverpool University Dental Hospital Dental Surgery Assistants School Fund.
49. Liverpool University Dental Hospital Smile Fund.
50. Broadgreen Hospital Surgical Directorate Fund.
51. Broadgreen Hospital Radiology Fund.
52. Broadgreen Hospital Postgraduate Medical Centre Fund.
53. Broadgreen Hospital Physiotherapy Education Fund.
54. Broadgreen Hospital Pharmacy Fund.
55. Broadgreen Hospital Pain Relief Fund.
56. Broadgreen Hospital Nurses Recreation Fund.
57. Broadgreen Hospital Minimal Invasive Therapy Fund.
58. Broadgreen Hospital Medicine for the Elderly Fund.
59. Broadgreen Hospital Medical Unit Fund.
60. Broadgreen Hospital Hypertension Fund.
61. Broadgreen Hospital Haematology Fund.
62. Broadgreen Hospital Gastroenterology Fund.
63. Broadgreen Hospital Manx Patient Fund.
64. Broadgreen Hospital Broadgreen Dieticians Fund.
65. Broadgreen Hospital Diabetic Clinical Research Fund.
66. Broadgreen Hospital Continuing Care Fund.
67. Broadgreen Hospital Chapel Fund.
68. Broadgreen Hospital Cancer Research Fund.
69. Broadgreen Hospital Biochemistry Fund.
70. Royal Liverpool University Hospital Self-Dialysis Unit Fund.
71. Royal Liverpool University Hospital Minimal Invasive Therapy Fund.
72. Royal Liverpool University Hospital Microbiology Fund.
73. Royal Liverpool University Hospital Metabolic Unit Fund.
74. Liverpool Regional Dialysis Unit Fund.
75. Royal Liverpool University Hospital Leukaemia Fund.
76. Royal Liverpool University Hospital Intensive Therapy Unit Fund.
77. John Henry Hampson Deceased.
78. Royal Liverpool University Hospital St Paul's Eye Unit Glaucoma Research Fund.
79. Royal Liverpool University Hospital Genito-urinary Fund.
80. Royal Liverpool University Hospital Genital Medicine Fund.
81. Royal Liverpool University Hospital Gastroenterology Fund.
82. Royal Liverpool University Hospital Foundation for Genito-urinary Cancer.
83. Royal Liverpool University Hospital Eye Tumour Research Fund.
84. Royal Liverpool University Hospital Ear Nose and Throat Department Fund.
85. Royal Liverpool University Hospital Endocrinology Fund.
86. Royal Liverpool University Hospital Dialysis Patients Welfare Fund.
87. Royal Liverpool University Hospital St Paul's Eye Unit Diabetic Eye Research Fund.
88. Royal Liverpool University Hospital Diabetic Fund.
89. Royal Liverpool University Hospital Diabetes and Metabolism Fund.
90. Royal Liverpool University Hospital Dermatology Fund.
91. Royal Liverpool University Hospital Department of Surgery Fund.
92. Royal Liverpool University Hospital Arthritis and Rheumatism Fund.
93. Royal Liverpool University Hospital St Paul's Eye Unit Anterior Segment Fund.
94. Royal Liverpool University Hospital Andria Butler Fund.
95. Royal Liverpool University Hospital Anaesthetic Fund.

96. Royal Liverpool University Hospital Anaesthetic and Intensive Care Research and Education Fund.
97. Royal Liverpool University Hospital Accident and Emergency Fund.
98. Royal Liverpool and Broadgreen University Hospitals NHS Trust Clinical Engineering Fund.
99. Royal Liverpool and Broadgreen University Hospitals Postgraduate Education Fund.
100. Royal Liverpool and Broadgreen University Hospitals Histopathology Fund.
101. Royal Liverpool and Broadgreen University Hospitals NHS Trust Advance Trauma Life Support Fund.
102. Royal Liverpool University Hospital Audiology Fund.
103. Royal Liverpool University Hospital Stoma Nurse Training Fund.
104. Broadgreen Hospital Cardiac Rehabilitation Fund.
105. Liverpool University Dental Hospital School of Dental Hygiene Fund.
106. Royal Liverpool and Broadgreen University Hospitals NHS Trust Prize Fund.
107. Royal Liverpool and Broadgreen University Hospitals Elderly Fund
108. Royal Liverpool University Hospital Forget Me Not Cancer Appeal.
109. Royal Liverpool & Broadgreen University Hospital Trust Common Investment Fund.
110. Royal Liverpool University Hospital Foundation for the Prevention of Blindness Fund.
111. Royal Liverpool & Broadgreen University Hospital Infectious Disease Unit
112. Royal Liverpool & Broadgreen University Hospital Norman Gibbon Urology Travel Scholarship Fund.

Designated Funds (transferred across from AUH Charity)

Staff Welfare, Training & Amenities Fund
 Dr Ansell Fund (Permanent Endowment)
 General Fund
 Holding Fund
 Ophthalmic Fund
 Critical Care General Fund
 Critical Care Research Fund
 Gastro Directorate Fund
 Urology Fund
 Aintree Chest Research Fund (PEC)
 Aintree Chest Research Fund (WAD)
 Cardiology Directorate Fund
 ENT Directorate Fund
 ENT Surgery Course Fund
 ENT Rhinology Fund
 Prosthetic & Wheelchair Centre Fund
 Thoracic Directorate Fund
 Diabetes Research & Education Fund
 Orthopaedic Directorate Fund
 MFU Directorate Fund
 Biochemistry Fund
 Hepatobiliary Unit Fund
 Radiology Directorate Fund
 Stroke Unit Fund
 The Sunshine Club Fund
 Palliative Care Fund
 End of Life Care Fund
 Anaesthesia Directorate Fund
 Breast Unit Fund
 ENT Research & Education Fund
 Renal Research & Education Fund

Renal Directorate Fund
Colorectal Fund
DME Directorate Fund
Major Trauma Pathway Fund

LIVERPOOL UNIVERSITY HOSPITALS NHS CHARITABLE FUND

REGISTRATION NUMBER 1047988

POLICIES

Issue date:	May 2023
Review date:	May 2026
Ratified Charitable Funds Committee:	11 th May 2023
Document Version:	1.1

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1. BACKGROUND

- 1.1 The balance of the Liverpool University Hospitals NHS Charitable Funds Fund originated from a merger between Royal Liverpool and Broadgreen Hospital NHS Trust and Aintree University Hospitals NHS Foundation Trust in 2019 and the amalgamation of the respective Trusts charitable funds.
- 1.2 A sub-committee of the Board (the Corporate Trustee), the Charitable Funds Committee, has delegated responsibility for the Charity. The Committee comprises 2 Non-Executive Directors, the Director of Communications and Marketing, the Chief Finance Officer, the Medical Director, and the Chief Nurse.
- 1.3 On behalf of Liverpool University Hospitals NHS Foundation Trust, the Charitable Funds Committee oversees the investment of Charity surpluses and Charity income and expenditure in accordance with approved policies and specified terms of individual designated funds.
- 1.4 Individual designated funds are registered with the Charity Commission under the Liverpool University Hospitals General Fund. The General Fund acts as an "umbrella" under which the individual funds are administered. The registration number is 1047988.
- 1.5 The objectives of the Liverpool University Hospitals Charitable Fund are defined as: -
"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 Services provided by Liverpool University Hospital NHS Foundation Trust".
- 1.6 The Liverpool University Hospitals Charitable Fund umbrella Charity comprises approximately 40 – 50 funds. This includes the General Purposes Fund, denoted as the "umbrella" fund for registration purposes (which can be expended in accordance with the stated objective) and designated funds which have more specific terms, but which fall within the same overall objective. The term "designated" has an administration purpose only and does not legally restrict the Trustee's discretion to apply the fund unless a specific restriction has been applied to the donation (as may be the case with legacy income).
- 1.7 Each designated fund has its own authorised signatories who receive a monthly statement detailing all fund transactions. A signatory may raise orders and expend donations up to a level of £5,000 without prior reference to the Charitable Funds Committee. Items in excess of £5,000 (inclusive of VAT) must be approved by the Committee prior to the expenditure being incurred.
- 1.8 The Policies included in this document have been prepared by the Charitable Funds Committee and are designed to ensure that all charitable transactions are subject to the highest level of governance as expected by the Trust Board of Directors in its delegation of administrative powers to the Committee. These policies are supplemented by the Charitable Funds training and information pack which is available to all fund holders.
- 1.9 Insofar as they are relevant to the transactions of the Trust's Charity, the published policies of Liverpool University Hospitals NHS Foundation Trust will apply.

Consequently, the Policies in this document should be read in conjunction with the formal NHS Foundation Trust policies which are published on Trust intranet.

- 1.10 The Charity complies with data protection requirements. The 'data controller' of the Charity is the Trust, as its corporate trustee. Consequently, the Charity adheres to the Trust's data protection policies and guidelines.

- 1.11 Freedom of Information (FOI) legislation applies to the Charity in so much as its corporate trustee is a public authority and, therefore, subject to the legislation. Consequently, the published FOI policies of the Trust apply to the Charity.

2. INCOME POLICY

2.1 Purpose

- 2.1.1 The purpose of this statement is to record the Income Policy of the Charity and to document the procedures and rules to ensure that voluntary donations are properly accounted for.
- 2.1.2 Appendix Two provides a brief summary of what can be considered as a "donation".
- 2.1.3 As identified in Appendix Two, the receipt of commercial sponsorship for NHS activity is unlikely to be classed as a charitable donation. The Department of Health's publication "Commercial Sponsorship – Ethical Standards for the NHS" defines commercial sponsorship as "*NHS funding from an external source*" and describes activities such as staff training, hire of meeting rooms and refreshments, costs of a member of staff, etc. Consequently, such items will fall outside of the charitable definition and all such income must be paid into the appropriate Directorate's budget against which all the associated expenditure will be charged.
- 2.1.4 Only in specific circumstances, as approved by the Chief Finance Officer, will sponsorship be placed in the Trust's Charity. This will ordinarily be in circumstances when the sponsorship forms a very minor part of the income stream for an event that is clearly non-standard NHS activity, but one that meets the Trust's charitable objectives and for which the sponsor receives no significant commercial advantage. All benefactors of sponsorship (whether it is defined as commercial or charitable) must meet the disclosure requirements of the Trust's Code of Conduct Policy.
- 2.1.5 The receipt of sponsorship for charitable research projects is covered by the Trust's Research Policy statement.
- 2.1.6 Any correspondence relating to legacies and bequests must be directed to the Finance Manager Charitable Accounts on extension 2885.

2.2 Statement of Policies

- 2.2.1 Legal entitlement to donated income is enforceable when it leaves the donor's hand, however, it is not always practical to identify it at that point.
- 2.2.2 The Trustee is responsible for identifying a point in the donation process where income can be reasonably recognised and for establishing controls at that point. This point is termed the boundary.

The Boundary

- 2.2.3 The boundary for postal cheque donations is the Finance Directorate Office. Controls are in place to ensure the accurate recording of donations and the timely onward transmission of recorded cheques to the Cash Office, in order that they may be promptly deposited in the Trust's bank account.
- 2.2.4 The boundary for cheques and cash donated by hand on the hospital site is set at the Hospital Cash Office, where controls are in place to ensure the timely recording and banking of donated income. As donations are accepted at ward level, controls are in place to "bridge the gap" between the point at which the income leaves the donor's hand and the established boundary. The controls include information notices displayed in all patient areas.

Donations

- 2.2.5 Donations must only be accepted if they are entirely unconditional or designated to an area that falls within the registered objects of the Charity. If inappropriate conditions or directions are placed on the donation, the donation must be politely and sensitively refused, and the reason explained. If the receipting officer is in any doubt about the appropriateness of accepting donations with restrictions placed upon it, they should consult the Finance Manager Charitable Accounts extension 2885.
- 2.2.6 All donations must be paid into a Cash Office at the earliest opportunity. This should be no later than the end of the shift following that on which the donation was made.
- 2.2.7 A receipt from an official Trust book must be given for all donations. Any spoiled receipts must be retained in the book. Wards may only hold one book at any one time, and it must be returned in order for the issue of a new one.
- 2.2.8 Wards, departments or individuals cannot set up Funds or open a bank account to receive donations.
- 2.2.9 Income from charitable fund invoices is not posted to designated funds until the cash has been received.
- 2.2.10 Guidance with regard to any queries relating to charitable income should be directed to the Finance Department on extension 2885.
- 2.2.11 If a gift is offered to an employee, the employee should refer to the Trust's "Standards of Personal and Business Conduct for Employees" Policy.
- 2.2.12 If a non-cash gift/donation is offered to the Trust, advice with regard how to proceed should be sought from the Finance Department on extension 2885.

2.3 Ethical and Legal Issues

- 2.3.1 Donations may only be accepted into the Charity on a non-commercial basis (i.e., the donor does not intend to benefit from any commercial gain from the transaction).
- 2.3.2 Consideration must also be given to any ethical issues that may arise in respect of a potential donation. Where it is felt that a donation is in conflict with the Charity's objectives or Government policies, the donation should not be accepted. For example, donations from companies that are involved in the tobacco or ordnance sectors are unlikely to be considered appropriate, although each situation will need to be viewed on its own individual merits.
- 2.3.3 Consideration should also be given to potential donations from companies that may be in a position to seek to provide a commercial service to the Trust. Again, each situation will need to be assessed in the light of specific prevailing circumstances.
- 2.3.4 The Bribery Act 2010, which repeals existing corruption legislation, has introduced the offences of offering and or receiving a bribe. It also places specific responsibility on organisations to have in place sufficient and adequate procedures to prevent bribery and corruption taking place. Under the act, bribery is defined as "Inducement for an action which is illegal unethical or a breach of trust."
- 2.3.5 Inducements can take the form of "gifts, loans, fees, rewards, or other privileges". Corruption is broadly defined as the offering or the acceptance of inducements, gifts or favours payments or benefit in kind which may influence the improper action of any person. Corruption does not always result in a loss. The corrupt person may not benefit directly from their deeds; however, they may be unreasonably using their position to give some advantage to another.
- 2.3.6 To demonstrate the organisation has sufficient and adequate procedures in place and to demonstrate openness and transparency, all staff are required to comply with the requirements of the Trust's Code of Conduct Policy.
- 2.3.7 For a more detailed explanation see the Anti-Bribery Policy. Should members of staff wish to report any concerns or allegations they should contact the appropriate persons contained within the Trust's Whistleblowing Policy.

3. FUNDRAISING POLICY

3.1 Introduction & Definitions

- 3.1.1 The Corporate Trustee of the Charity has a legal responsibility to ensure that all official fundraising is undertaken in an appropriate manner with due regard for the process (Section 3.2).
- 3.1.2 The purpose of this statement is to record the Fundraising Policy of the Charity and to ensure that procedures are in place so that formal fundraising is controlled and undertaken appropriately. Department Heads are responsible for ensuring that this Policy is adhered to within their area of responsibility.
- 3.1.3 Informal fundraising (i.e. merely stating that the proceeds from an activity will be donated to the Trust as opposed to the activity actually being facilitated by the Trust) is not covered by this Policy (although paragraph 3.2.4 does state that the Trust's Communications Department will provide publicity, as deemed appropriate, for funds raised on an informal basis at the point when the proceeds are to be formally deposited at the Trust). Where a proposed fundraising activity is being facilitated by the signatories of a designated fund, then the activity must be registered as "formal fundraising" and the processes identified in this Policy must be applied.
- 3.1.4 The responsibility for informal fundraising activity lies entirely with the volunteer organising the activity. Wherever possible, the volunteer fundraiser should be advised that they do not have the power to transfer that responsibility to the Trust without a formal application to the Charitable Funds Committee to register the activity as formal fundraising. That said, and wherever possible, the volunteer fundraiser should be advised of the entire contents of this note as an indication of the issues that the Trust would like all volunteer (informal) fundraisers to consider when raising money to be ultimately donated to the Trust. It should also be emphasised to the fundraiser (where it is within our power) that all donations must be paid over to the Trust at the earliest opportunity.
- 3.1.5 The issue of employees seeking sponsorship from a commercial organisation for a particular activity or event is discussed in Section 2, "Income Policy" (and the Trust's Code of Conduct Policy).

3.2 Process

- 3.2.1 The intention to undertake official fundraising and requesting sponsorship must firstly be discussed and agreed with the relevant Department Head.
- 3.2.2 The Department Head must email a request to officially register the activity to the Finance Manager Charitable Accounts (detailing the proposed administrative arrangements and the reasons for the fundraising). As part of the approval process, the Financial Accountant will need to be satisfied that all administrative and financial arrangements (such as public liability insurance, licences, cash controls, etc) are robust and appropriate and that the proposed activity is acceptable in terms of the Trust's reputation.

- 3.2.3 Official Fundraising must only commence once the Department Head has received an approval email from the Finance Department.
- 3.2.4 The Trust's Fundraising and Communications Department will offer support with regard to publicity for formal activity. Publicity for informal activities will only be provided at the point of formal donation, if deemed appropriate.
- 3.2.5 On completion of the activity, the Department Head must ensure that all funds raised are deposited immediately at a Trust Cash Office and referenced appropriately. A summary financial statement must be provided to the Finance Manager Charitable Accounts in order that an effective audit trail is created, and that the activity is correctly recorded in the Charity's accounts.

3.3 Points to Note

- 3.3.1 Fundraising is not a charitable purpose in itself.
- 3.3.2 "Non-primary purpose trading" (i.e., expending donated money on miscellaneous items for resale in the anticipation of making a profit) is not permitted.
- 3.3.3 Except for instances related to clause 3.3.4, existing donations must not be expended on the costs of running a fundraising event until such time as adequate sponsorship is secured. That is to say, existing charitable donations must not be risked.
- 3.3.4 In certain circumstances, it may be deemed unavoidable for existing funds to be committed in order to run a large event (for example, a deposit to secure the hire of a venue). Provided there is a reasonable "guarantee" that sufficient money will be recovered to cover up front costs (such as pledges of attendance, etc) the Charitable Funds Committee may consider approving the use of existing funds.
- 3.3.5 Lotteries not requiring a license, such as incidental and non-commercial lotteries and raffles may be used for fundraising purposes, providing they meet the requirements of the Gambling Act 2005.
- 3.3.6 Anyone attending a specific event can participate, but tickets can only be sold, and the prizes (which must not total more than £500) determined, at the actual "one off" event. Lotteries are governed by the Gambling Act 2005 and the Act must be referred to by anyone intending to run a lottery, whether it requires a license or not. The law regulating gaming is complex and extreme care must be taken to ensure compliance. The prior authorisation of the Charitable Funds Committee must be obtained to run a lottery requiring a license. (The request should be directed to the Trust's Finance Department on extension 2885).
- 3.3.7 Street and doorstep collections will not be sanctioned as official Trust fundraising.
- 3.3.8 All formal fundraising literature must be sanctioned by the Trust's Communications Department. The reputation of the Trust must be a foremost consideration in all formal fundraising.

- 3.3.9 Trust Employees that are contemplating engaging the services of a "celebrity" to assist in fundraising activities must seek guidance from the Trust's Communications Team before proceeding.
- 3.3.10 Trust employees responsible for fundraising activities must ensure that all non-employees who attend the Trust in a fundraising capacity are appropriately accompanied.

4. EXPENDITURE POLICY

4.1 Purpose

4.1.1 The purpose of this statement is to identify how charitable donations and investment income should be applied.

4.2 Charity's Objectives

4.2.1 Donations received by the charity may be expended on "any charitable purpose or purposes relating to the National Health Service wholly or mainly for the service provided by Liverpool University Hospitals NHS Foundation Trust".

4.3 Charity Law

4.3.1 The Charity Act 2011 sets out a number of charitable purposes. The purpose relevant to the Trust's Charity is the advancement of health. The Act also states that a purpose is not charitable unless it benefits the public as a whole or a sufficient section of the public.

4.4 Statement of Policy

4.4.1 Charitable funds will not be used to replace or subsidise a service that Exchequer has an obligation to provide, however, it is recognised that they can be used to enhance or supplement an existing service. Expenditure must comply with the following criteria.

Criteria for Expenditure

4.4.2 Expenditure will only be permitted for goods or services that are not considered essential to the "mainstream" activities of the Trust. Goods or services that are considered essential to the "mainstream" activities of the Trust must always be funded from Exchequer budgets (i.e., from taxpayers' funds).

4.4.3 All expenditure will comply with the objects as laid down in the Charity's Governing Document.

4.4.4 Expenditure will be approved where funds have been donated for a purpose that is clearly charitable under law.

4.4.5 Charitable funds exist to provide benefits for NHS patients and staff. Examples of such are as follows: -

- i) Patients: Improvement of environment, medical equipment, medical research, etc.
- ii) Staff: Training and education, staff room items, social events, and amenities.

(Expenditure on staff amenities, social events, etc, meets the Charity's objectives by improving morale and consequently workplace performance, thereby enhancing patient care. However, each expenditure item must be justifiable and not too remote and be clearly expenditure that cannot be justified by the Trust).

- 4.4.6 Unless agreed by the Charitable Funds Committee, existing donations must not be expended on the costs of any goods or activity procured with the sole aim of attempting to generate additional income. That is to say, existing charitable donations must not be put at risk.

Delegated Limits

- 4.4.7 The Director of Communications and Marketing and Chief Finance Officer have delegated responsibility to act as authorised signatory for items from General Funds up to £5,000.
- 4.4.8 Authority to approve expenditure from designated funds, up to a maximum of £5,000, is delegated to the authorised signatories of those funds as approved by the Charitable Funds Committee. However, each item of charitable expenditure from designated funds is officially verified by the Finance Manager Charitable Accounts prior to payment.
- 4.4.9 The Trust Board has delegated responsibility to approve all expenditure requests in excess of £5,000 to the Charitable Funds Committee before the Trust becomes legally committed to the expenditure.
- 4.4.10 The Charitable Funds Committee has delegated responsibility to approve all expenditure requests below £5,000 to the Chief Finance Officer or nominated Deputy. Each item of expenditure must be approved accordingly before a payment is processed.
- 4.4.11 The Charitable Funds Committee shall bring any matters of concern to the attention of the Trust's Board of Directors.

General Points

- 4.4.12 General Funds will only be used on an exceptional basis to support recurrent expenditure. These instances will require the explicit prior approval of the Committee.
- 4.4.13 The Trustee would normally expect to spend at the same level as income is received taking one year with another. (See also the Charity's Reserves Policy).
- 4.4.14 Any information provided to support charitable expenditure may be disclosed to the Trust's Local Counter Fraud Specialist or Local Security Management Specialist for the purpose of verification and also for the investigation, prevention, detection and prosecution of fraud or theft. It should be noted that if false or inaccurate information is provided then action may be taken in the form of either criminal prosecution or civil recovery proceedings.
- 4.4.15 If expenditure is incurred in respect of employee costs (e.g., for fundraising or research purposes) the employees must be advised that the Trust's HR policies will apply to their employment. However, they should be advised that, in terms of the Trust's "Raising Concerns Policy", the relevant body to whom concerns about the Trust's Charity should be directed to is the Charity Commission.

5. RESEARCH POLICY

5.1 Purpose

5.1.1 The purpose of this statement is to ensure that the rules and regulations of the Charity Commission, relating to charitable research, are adhered to. This statement is designed to reinforce and clarify existing policy in this area.

5.2 Definitions and Statement of Policy

5.2.1 Charitable Fund guidance is explicit in its definition of 'charitable research'.

- a) Income received for the purpose of conducting commercial research is not charitable.
- b) Where a commercial company contracts with the Trust or its employees to undertake clinical trials, the results are not usually the property of the Trust. In these circumstances, the monies received are regarded as a business service and paid into and controlled through exchequer funds.
- c) Research can only be deemed charitable in nature if the results advance public education and are not commercially exploited by the sponsoring organisation.

5.2.2 In order to confirm the non-commercial nature of funding, all donations from commercial organisations must be accompanied by an official letter from the donor stating that the donation is an unrestricted free gift. This effectively means that the Trustee has full discretion as to how to apply the funds.

5.2.3 In the case of any charitable research to which the Charity devotes any donated resources, the basic duties of the Committee are to aim to ensure the following.

- i) The research falls within the scope of the Charity's purposes and its powers and is an effective way of fulfilling those charitable purposes.
- ii) The research is well managed and cost-effective.
- iii) The research is of good quality.
- iv) The research is used with the aim of achieving a public benefit. Delivering public benefit is usually achieved by the useful results being published.

5.2.4 Charitable research grants may only be approved by the Committee once the research plan has been formally approved by the Research and Development Department.

5.2.5 For all research grants approved by the Committee, a 6-monthly progress report must be provided by the research team which justifies the expenditure in terms of how a public benefit has been achieved.

6. INVESTMENT POLICY

6.1 Introduction

The Investment Policies of the Liverpool University NHS Charitable Funds are as detailed in the LUHFT Charity Investment Guidelines and LUHFT Charity Ethical Guidelines approved by the Charitable Funds Committee in March 2023 and included in appendix three and four.

7. RESERVES POLICY

7.1 Background

7.1.1 In order to comply with Charity Commission requirements, it is necessary that the Trustee maintains a Reserves Policy.

7.2 Definition

7.2.1 Reserves are that part of a charity's funds that are available for its general purposes after meeting its commitments and other planned expenditure. Reserves include unrestricted funds or income that can be expended at the Trustee's' discretion in furtherance of the charity's aims and objectives. Such funds can be earmarked for a particular project, but such a designation has an administrative purpose only and does not legally restrict the Trustee's discretion to apply the fund.

7.3 Aims & Objectives

7.3.1 Donations received by the charity may be expended on "any charitable purpose or purposes relating to the National Health Service wholly or mainly for the service provided by Liverpool University Hospitals NHS Foundation Trust".

7.4 Principles

7.4.1 In producing a policy statement on Reserves the following principles have been recognised: -

- a) Charity income, which largely comprises donations, legacies and investment income is by its very nature uncertain.
- b) Income should be applied as soon as is reasonably practical after receipt.
- c) Resources at the disposal of the Charity must be applied as effectively as possible.
- d) The Governing Document contains no express legal power allowing the Trustee to hold income in reserve instead of expending it promptly. However, the duty on the Trustee to administer the Charity efficiently carries with it an implied legal power to retain reserves where this is in the Charity's best interest and can be supported by business plans and budgets (e.g., accumulation is permissible against a clearly defined future use).
- e) There is a need to secure charity viability beyond the immediate future.
- f) The needs of present and future beneficiaries must be balanced.
- g) While the Charity should not appear to the general public to be subsidising the NHS, donor's past, present and future need assurance that funds are not being retained which could be used with immediate effect to alleviate acute need.

7.5 Statement of Policy

- 7.5.1 It is the Trustee's determination to demonstrate prudent stewardship of the Charity and to ensure that the level of reserves is appropriate to charity circumstances.
- 7.5.2 In producing this Policy, the Trustee has taken into consideration Charity Commission and NHS guidance.
- 7.5.3 The Trustee is permitted to establish and maintain reserves for the following purposes
- (i) to avoid fluctuations in the amounts of income distributed.
 - (ii) to meet current or anticipated expenses properly payable out of income.
- 7.5.4 The Trustee would expect to spend at the same level as income is received taking one year with another.
- 7.5.5 Unrealised gains on investments will not be included in the calculation of reserves as they are not freely available for the Charity to spend until such time as they are realised.
- 7.5.6 Where unrealised gains are built up, investments may be sold, and the gains expended in accordance with charity objects.
- 7.5.7 The Charity will not undertake any major fundraising appeals unless a specific need or cause is clearly identified and approved by the Trustee. Minor fundraising will continue to be permitted at ward level, subject to the Trust's Fundraising Policy.
- 7.5.8 Where it is anticipated that reserves will rise above a level equivalent to 36 months budgeted expenditure, action will be taken to expend (unless saving for a specific item), in accordance with charity objects, down to a level below this threshold.
- 7.5.9 Reserves will not be permitted to fall below a level equivalent to 6 months forecast expenditure.
- 7.5.10 The Charity's Annual Report will include a brief statement on the current level of reserves with reference to this policy.

7.6 Policy Implementation

- 7.6.1 The Charitable Funds Committee are responsible for reviewing income and expenditure and making proposals to ensure that forecast expenditure and reserves are kept at an appropriate level.
- 7.6.2 Annually, a business plan including a 3-year prediction of charity income and expenditure will be put before the Charitable Funds Committee.
- 7.6.3 Detailed proposals for spending reserves in line with this policy will be considered as required at Charitable Funds Committee meetings.

GUIDANCE FOR SIGNATORIES OF DESIGNATED FUNDS

DEFINITION:

Charitable Funds cannot be used to replace or subsidise a service which the state has a duty to provide. They can, however, be used to enhance an existing service or to purchase items which are not normally provided from exchequer sources – such as additional items of expensive medical equipment.

As the purpose of Charity is to enhance the provision of patient care services, only charitable donations that meet this criterion can be accepted. For instance, if an individual wishes to donate and stipulates that it must be spent on staff uniforms, regrettably, the Trust is not legally entitled to accept the donation as the intended expenditure would fall outside of the Charity's remit. Similarly, if a stipulation is made that a donation must be spent on a certain piece of equipment for which the Trust has no means of meeting the ongoing revenue consequences (maintenance, etc) the donation must be declined.

The Charitable Funds Committee has requested that, for all material donations where any doubt exists concerning its appropriateness, the recipient should seek confirmation from the Committee prior to accepting the donation.

Each month, a statement will be emailed to all the authorised signatories of the Fund, detailing the income into, and expenditure out of, the Fund.

INCOME:

Any income received must be formally receipted in a Trust Charitable Fund Receipt Book and paid into a Trust Cash Office at the earliest opportunity. The Receipt must be appropriately annotated if the donation is intended to benefit a specific area of the Trust. Cheques should be payable to "Liverpool University Hospitals Charitable Funds".

PAYMENTS:

Where possible, the Trust's standard procurement systems should be used to place orders (e.g., Supplies and IT requisitions). If, exceptionally, a request for payment does not originate from an official order, the request must record the Fund Number from which the payment is to be made, be supported by relevant invoices/receipts, and be authorised in accordance with the Trust's scheme of delegation.

Proposed expenditure in excess of £5,000 (including VAT) requires the authorisation of the Charitable Funds Committee before the expenditure is incurred. Approval must be sought by sending details of the proposed expenditure to the Committee, via the Finance Manager Charitable Accounts.

Any queries regarding this guidance should be directed to the Finance Manager Charitable Accounts on extension 2885.

GUIDANCE AS TO WHAT MAY BE TREATED AS A DONATION

Charitable donations: A donation is basically a receipt for which nothing is provided in return. In an acute hospital environment, donations will tend to originate either from members of the public or institutions who wish to acknowledge their thanks for the work undertaken by the Trust and its staff.

Income generation: If the Trust provides a service or goods to a third party, for which it receives payment, then this is income generation and the proceeds must be paid into the Directorate's budget.

Income from a Commercial Organisation: To be treated as a donation, income from a commercial organisation must be accompanied by an official letter stating that the donation is an unrestricted "free gift" and that no reciprocal action is required on the part of the Trust. This effectively means that the Trustee has full discretion as to how to apply the funds. Clinical trials and sponsored research will rarely meet this criterion and will generally be credited to the Trust's research and development budget. Whether charitable or commercial, all research must be registered with the Trust's R&D Directorate.

Commercial Sponsorship: Sponsorship received from commercial organisations is usually related to a particular NHS activity, the attendance of an employee at a conference or the funding of Directorate meetings, etc. In such cases, the income is referred to as non NHS funding of a NHS activity and should be paid into the Directorate's budget. The income will simply be matched to the associated expenditure (costs of the activity) and there are no charitable implications. However, it is important for all recipients of sponsorship to be fully aware of the Trust's Code of Conduct Policy which determines the declaration responsibilities of the individual.

Course / Conference fees: Provided that the course/conference being run by the Trust is "charitable", then fees received from course attendees may be paid into a charitable fund. To be termed "charitable" the Director of Finance must be satisfied that the event is something that the Trust is not ordinarily expected to provide, that it provides a public benefit and that it meets the Charity's objective and is not merely a vehicle for generating income. In addition, all associated expenditure (e.g. pay costs, room hire, refreshments, etc) must be charged to the Charity. Most courses will be run through a Directorate's budget and not through the Charity.

Employee's fees: If a Trust employee receives a fee for work done outside of his/her contract with the Trust, then the fee may be donated to the Trust by the employee after he/she has paid the tax on it. The Charity may recover the tax on the donation at the basic rate if the donor completes a gift aid certificate. The donor may ultimately be responsible for administering the donation (because it falls within their specialty) but the donor may not gain a personal benefit from it. This would include any activity or good which HM Revenue and Customs may perceive to be the equivalent of a payment for a service provided by an employee.

Designated donations: Donors are encouraged to identify the specific area of care to which they would wish to see their donations used. However, if the criteria set by the donor restricts the Trust to something that it has a statutory duty to undertake (e.g. provision of uniforms) then the donation, unfortunately, cannot be accepted. Similarly, if there is a commitment to unaffordable recurring expenditure consequences resulting from a designated donation (e.g. maintenance) then the donation should not be accepted.

LIVERPOOL UNIVERSITY HOSPITALS NHS FOUNDATION TRUST

CHARITABLE INVESTMENT MANAGEMENT GUIDELINES

1.1 INVESTMENT OBJECTIVES

- 1.1 To maximise total return through a diversified portfolio to an acceptable level of risk, assets should be invested in a diversified portfolio which does not have excessive exposure to any specific sector or industry. The portfolio should take into consideration ethical, health and sustainability issues relevant to the Trust.
- 1.2 The portfolio should be in compliance with the Trust's investment powers as interpreted by the Trustee and in accordance with the strategy agreed with the Trustee from time to time. In due course, the Trustee may amend the objectives and strategy.

1.2 INVESTMENT PORTFOLIO

- 1.2.1 The Charity's investment portfolio is administered by a professional Investment Management firm on a discretionary basis and the management of the portfolio is delegated to the Charitable Funds Committee. The administration of the portfolio is put out to tender every 5 years.
- 1.2.2 The Trustee has determined that the objective of holding the investment portfolio is to secure a long term total return on investments.
- 1.2.3 The total return target is CPI +4% over the long term
- 1.2.3 In order to discharge its duties appropriately, the Trustee has approved the following Statement of Policy which the contracted Investment Management firm must adhere to.

1.3 STATEMENT OF POLICY

- a) The prime investment objective will be to maximise financial returns within the context of achieving a maximum total growth between "Income Yield" and "Capital Growth".
- b) The portfolio will be invested in a diversified multi-asset class portfolio and may invest in the following asset classes:
- Cash or near cash instruments, including Money Market Funds
 - Fixed Income Investments: Government, Supranational and Corporate (individual bonds should not have a credit rating lower than BBB)
 - UK Government securities, International sovereign securities & supranational bonds
 - Listed Equities: UK & Global
 - Structured Notes
 - Collective Investment Funds
 - Exchange Traded Funds (ETF)
 - Infrastructure

- Commodities
 - Real Estate
 - Alternative Investments
 - Diversifiers
- c) The Trustee has defined the overall level of risk in the portfolio as moderate. This means that while individual investments may carry higher or lower levels of risk, a balanced approach to risk is required.
- d) It is intended that the maximum value of one equity holding will not materially exceed 7.5% of the total equity value within the portfolio.
- e) It is intended that the maximum value of one Collective investment fund or ETF will not materially exceed 10% of the total equity value within the portfolio.
- f) The portfolio should be diversified by asset class, geography and sector.
- g) Speculative or hazardous investments will not be made. These include futures, options and contracts for differences; including Contingent Liability Transactions, as these investments carry excessive risk.
- h) The following trading arrangements will not be entered into:
- a. Trading "adventures".
 - b. Collective Investment Schemes which are not regulated Collective Investment Schemes including Schemes operated by us or Associates
- i) Careful consideration will be given to any ethical, health and sustainability issues arising in respect of investments. Where it is felt that an investment is in conflict with the Charity's objectives and/or Government policies, no investment will be made (Please refer to Ethical Investment Policy)
- j) As a minimum requirement, portfolio valuations will be presented to Charitable Funds Committee meeting's twice a year. (The Committee is able to informally access ad-hoc on-line valuations basis based upon the previous working day's closing position, and also receive quarterly valuation reports.)
- k) Any investment which is not immediately realisable (within 10 days) requires approval from the Charitable Funds Committee. These should be minimised and only approved where there are significant benefits and minimal risk of requiring these funds prior to realisation.

1.4 PERFORMANCE AND STRATEGY REVIEW

- 1.4.1 The Charitable Funds Committee will review the portfolio at each Committee meeting and receive a performance presentation from the Investment Management firm on an annual basis, as a minimum.
- 1.4.2 The performance of the portfolio(s) will be evaluated against a suitable benchmark measure approved by the Trustee.

Long Term Target: CPI +4%

- 1.4.3 On an annual basis, the Charitable Funds Committee will review a three year income and expenditure plan in order that short, medium and long-term investment objectives can be determined.
- 1.4.4 Charity investment objectives and portfolio strategy will be reviewed annually and at any time that the Charitable Funds Committee deem it appropriate. However, amendments to the investment strategy must be approved the Board of Directors, as the Corporate Trustee.
- 1.4.5 Where it is considered that funds are likely to be spent within the next six months, they should not be made available for investment within the portfolio.
- 1.4.6 The issues on which the Chief Finance Officer shall be required to provide advice to the Charitable Funds Committee shall include:
- the formulation of investment policy which meets statutory requirements and Department of Heath guidance with regard to income generation and the enhancement of capital value; and which complies with any restrictions on investment choice contained within any relevant charitable deeds;
 - the appointment of advisers, brokers and, where appropriate, investment fund managers and: -
 - the Chief Finance Officer shall recommend the terms of such appointments; and for which written agreements shall be signed by the Chief Executive;
 - pooling of investment resources and the preparation of a submission to the Charity Commission for them to make a scheme;
 - the participation by the Trust in common investment funds and the agreement of terms of entry.

Review

This policy will be reviewed on an annual basis.

LIVERPOOL UNIVERSITY HOSPITALS NHS FOUNDATION TRUST

CHARITABLE ETHICAL INVESTMENT GUIDELINES

1.5 ETHICAL & SUSTAINABILITY OBJECTIVES

- 1.3 The purpose of this document is to set out how we wish for the investment portfolios to be managed in accordance with the values of the Trust. The Trust wish for the portfolio to reflect the values and ethics of the Charity.

1.6 ETHICAL RESTRICTIONS

- 1.6.1 The trust wish for the portfolio to exclude direct holdings in certain sectors – below is the list of direct holding exclusions, their definitions and thresholds.

Alcohol:

All companies deriving 5% or more revenue from the production of alcohol-related products, or those deriving 15% or more aggregate revenue from the production, distribution, retail and supply of alcohol-related products.

Gambling:

All companies deriving 5% or more revenue from ownership of operation of gambling-related business activities, or those deriving 15% or more aggregate revenue from gambling-related business activities.

Tobacco:

All companies classified as a “Producer”, or those that derive 5% or more aggregate revenue from the production, distribution, retail and supply of tobacco-related products.

Adult Entertainment:

All companies deriving 5% or more revenue from the production of adult entertainment materials, or those deriving 15% or more aggregate revenue from the production, distribution and retail of adult entertainment.

Armaments:

Conventional Weapons: All companies deriving 5% or more from the production of conventional weapons, or those that derive 15% or more aggregate revenue from weapons systems, components, and support systems and services. **Nuclear Weapons:** All companies that manufacture nuclear warheads or missiles, components, or delivery platforms for use in nuclear weapons. **Controversial Weapons:**

All companies with any ties to controversial weapons, including companies involved in the manufacturer and production of cluster munitions, landmines, depleted uranium manufacturer, biological and chemical.

Civilian Firearms: All companies classified as a “Producer”, or those that derive 5% or more revenue from the distribution of civilian firearms.

Fossil Fuels:

Any investment in fossil fuels should be done on a best of sector basis from an environmental perspective. This will include all companies that have proven and probable coal reserves and/or oil and natural gas reserves used for energy purposes. Reserves are considered to be used for energy purposes in the case of companies with the following Global Industry-Classification Standard (GICS) classification:

(a) Oil, Gas and Consumable Fuels Industry (b) Energy Equipment and Services Industry (c) Utilities Sector (d) Diversified Metals and Mining Sub-Industry.

1.7 ENVIRONMENTAL, SOCIAL & GOVERNANCE

- 1.7.1 The Trust requires the portfolio manager to consider Environmental, Social and Governance (ESG) factors when constructing the portfolio and making investment decisions.
- 1.7.2 The manager shall vote and engage with the underlying companies to promote best practice and long-term sustainability.
- 1.7.3 The manager shall provide, upon request, reports on ESG, Voting & Engagement relevant to our investment portfolio.

1.8 UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (UN SDGs)

- 1.8.1 The portfolio will be invested in a globally diversified multi-asset class portfolio, subject to the ethical restrictions outlined above and consideration of ESG factors. The trust is keen to maximise risk-adjusted return on the investments and where possible have a positive influence on the world.
- 1.8.2 To this end, the portfolio manager is required to consider the 17 UN SDGs when making an investment decision. How a company is seeking to address at least one of these goals and supporting the aims of the UN SDGs.

1.5 REVIEW

- 1.5.1 This policy will be reviewed on an annual basis.

**FINANCIAL
STATEMENTS
2022/2023**

Statement of Financial Activities for the year ended 31 March 2023

	Note	2022/23 Unrestricted Funds £000	2022/23 Restricted Funds £000	2022/23 Endowment Funds £000	2022/23 Total Funds £000	2021-22 Unrestricted Funds £000	2021-22 Restricted Funds £000	2021-22 Endowment Funds £000	2021-22 Total Funds £000
Income and Endowments from:									
Donations & Legacies	2.1	95	1,417	0	1,512	0	1,058	0	1,058
Other Trading activities	2.2	0	0	0	0	0	0	0	0
Investments	2.3	0	322	0	322	0	229	0	229
Funds transfer in from AUII Charity	2.4	715	240	6	961	0	0	0	0
Total Income & Endowments		810	1,979	6	2,795	0	1,287	0	1,287
Expenditure on:									
Raising funds	3	0	428	0	428	0	501	0	501
Charitable activities	4	189	1,845	0	2,034	0	1,241	0	1,241
Governance	5	0	79	0	79	0	42	0	42
Total Expenditure		189	2,352	0	2,541	0	1,784	0	1,784
Net Gains / (Losses) on Investments	8	(37)	(303)	(3)	(343)	0	712	(2)	710
Net Income / (Expenditure)		584	(676)	3	(89)	0	215	(2)	213
Transfers between funds		0	0	0	0	0	0	0	0
Net movement in funds	6	584	(676)	3	(89)	0	215	(2)	213
Reconciliation of funds:									
Fund balances carried forward at 31 MARCH 2022		0	8,464	77	8,541	0	8,249	79	8,328
Fund balances carried forward at 31 MARCH 2023		584	7,788	80	8,452	0	8,464	77	8,541

The notes at pages 29 to 42 form part of these financial statements.

Balance Sheet as at 31 March 2023

	Notes	Unrestricted Funds 31.03.23 £000	Restricted Funds 31.03.23 £000	Endowment Funds 31.03.23 £000	Total at 31 March 2023 £000	Unrestricted Funds 31.03.22 £000	Restricted Funds 31.03.22 £000	Endowment Funds 31.03.22 £000	Total at 31 March 2022 £000
Fixed assets:									
Investments	8.2	657	9,428	74	10,159	0	9,623	77	9,700
Total Fixed Assets		657	9,428	74	10,159	0	9,623	77	9,700
Current assets:									
Stocks		0	5	0	5	0	5	0	5
Debtors	10	6	376	0	382	0	634	0	634
Cash at bank and in hand		0	1,491	6	1,497	0	1,024	0	1,024
Total Current Assets		6	1,872	6	1,884	0	1,663	0	1,663
Creditors: Amounts falling due within one year	11.1	79	3,135	0	3,214	0	2,429	0	2,429
Net Current Assets / (Liabilities)		(73)	(1,263)	6	(1,330)	0	(766)	0	(766)
Total Assets less Current Liabilities		584	8,165	80	8,829	0	8,857	77	8,934
Creditors: Amounts falling due after more than one year	11.2	0	377	0	377	0	393	0	393
Total Net Assets		584	7,788	80	8,452	0	8,464	77	8,541
Funds of the Charity									
Capital Funds:									
Endowment funds	12.1	0	0	80	80	0	0	77	77
Income Funds:									
Restricted income funds	12.5	0	7,788	0	7,788	0	8,464	0	8,464
Unrestricted funds		584	0	0	584	0	0	0	0
Total charity funds		584	7,788	80	8,452	0	8,464	77	8,541

The notes at pages 47 to 60 form part of these financial statements.

Signed:



Date: 21/12/2023

Statement of Cash Flows for the year ended 31 March 2023

	Total 2022/23 £000	Total 2022/22 £000
Cash flows from Operating Activities:		
Net Cash provided by (used in) operating activities	<u>(100)</u>	<u>(601)</u>
Cash flows from investing activities:		
Returns on Investments	322	229
Proceeds from sale of investments	2,835	2,119
Purchase of Investments	(2,829)	(2,119)
Acquisition of AUH less cash acquired	<u>245</u>	<u>0</u>
Net cash provided by (used in) investing activities	573	229
Change in cash and cash equivalents	<u>473</u>	<u>(372)</u>
Cash and Cash equivalents at the start of the year	1,024	1,396
Cash and Cash equivalents at the end of the year	<u>1,497</u>	<u>1,024</u>
Reconciliation of net income / (expenditure) to net cash flow from Operating activities		
Net income / (expenditure) as per the SOFA	(89)	213
Dividends and Interest from Investments	(322)	(229)
(Increase) / decrease in Stocks	0	0
(Increase) / decrease in Debtors	354	(481)
Increase / (decrease) in Creditors	575	606
(Increase) / decrease in Investment Gains / Losses	343	(710)
Non-Cash Transfer from AUH	(961)	0
Net cash (outflow) / inflow from operating activities	<u>(100)</u>	<u>(601)</u>

LIVERPOOL UNIVERSITY HOSPITALS NHS CHARITABLE FUND

NOTES TO THE ACCOUNTS

ACCOUNTING POLICIES

1.1 Basis of preparation

The financial statements have been prepared in accordance with 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 – (Charities SORP (FRS 102)), the Financial Reporting Standards applicable in the UK and the Republic of Ireland and the Charities Act 2011.

Liverpool University Hospitals NHS Charitable Fund meets the definition of a public benefit entity under FRS 102.

(a) Going Concern

The Trustees have carried out an assessment and are of the view that, notwithstanding the net current liabilities at year-end, given the high levels of cash and readily realisable investments, the charity is a going concern, with no material uncertainties about the charity's ability to continue.

(b) Critical Accounting Judgements and Estimates

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the charities accounting policies and the reported assets, liabilities, income and expenditure and the disclosures made in the financial statements. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the current circumstances. Key judgements concern the timing of recognition of legacy income and the recognition of awards granted to the Trust.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

(c) Entity Combinations

Entity combinations for public benefit entities are accounted for in accordance with paragraph PBE 34.75 of FRS 102. The combination with AUH for nil consideration is in substance a gift. The excess of the fair value of the assets received over the fair value of the liabilities assumed is recognised as a gain in the Statement of Financial Activities, representing the gift of the value of one entity to another and is recognised as income. Further details are shown in note 9.

1.2 Income

The policies followed, which deal with income, voluntary assistance and donations, are:

(a) All incoming resources are included in full in the Statement of Financial Activities as soon as the following three factors can be met:

- i) Entitlement - arises when a particular resource is receivable or the charity's right becomes legally enforceable;
- ii) Certainty – when there is reasonable certainty that the incoming resource will be received;

- iii) Measurement – when the monetary value of the incoming resources can be measured with sufficient reliability.

(b) Gifts in kind

- i) Assets given for distribution by the charity are included in the Statement of Financial Activities only when distributed.
- ii) Assets given for use by the charity (e.g. property for its own occupation) are included in the Statement of Financial Activities as incoming resources when receivable.
- iii) Gifts made in kind but on trust for conversion into cash and subsequent application by the charity are included in the accounting period in which the gift is sold.

In all cases the amount at which gifts in kind are brought into the account is either a reasonable estimate of their value to the charity or the amount actually realised. The basis of the valuation will be disclosed in the annual report if any gifts in kind are received during the year no such gifts were received in the current or prior year.

(c) Intangible Income including donated services and facilities

Intangible income (e.g. the provision of free accommodation) is included in the accounts with an equivalent amount in outgoing resources, if there is a financial cost borne by another party. The value placed on such income is the financial cost of the third party providing the resources. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised as income or expenditure.

(d) Legacies

Legacies are accounted for as incoming resources once the receipt of the legacy becomes probable. This will be once confirmation has been received from the representatives of the estate that payment of the legacy will be made or property transferred and once all conditions attached to the legacy have been fulfilled.

(e) Interest receivable and dividend income

Interest on funds held on deposit and dividend income is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest or dividend paid or payable.

1.3 Expenditure

The funds held on trust accounts are prepared in accordance with the accruals concept. Expenditure is recognised when a liability is incurred and 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. Grant commitments are recognised once there is a legal or constructive obligation to make a payment to a third party.

(a) Cost of generating funds

The cost of generating funds are the costs associated with generating income for the funds held on trust. This will include the costs associated with the Forget-me-Not Appeal and the Foundation for the Prevention of Blindness funds. It will also include Investment management costs which consist of direct fees and a proportion of support costs (see note 5).

(b) Grants payable

Grants payable are payments, made to third parties (including NHS bodies) in the furtherance of the funds held on trust's charitable objectives. They are accounted for on an accruals basis where the conditions for their payment have been met or where a third party has a reasonable expectation that they will receive the grant. This includes grants paid to NHS bodies.

(c) Allocation of Overhead and Support costs

These are accounted for on an accruals basis and have been allocated on an appropriate basis (see note 5) between Charitable Activities and Governance Costs. 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. An estimation of the time allocated by the Senior Financial Accountant to manage the charitable funds section has been made.

(d) Governance Costs

Governance costs comprise all costs incurred in the governance of the charity. These costs include costs related to statutory audit together with an apportionment of overhead and support costs.

(e) Irrecoverable VAT

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

1.4 Structure of funds

Where there is a legal restriction on the purpose to which a fund may be used, the fund is classified in the accounts as a restricted fund. Funds where the capital is held to generate income for charitable purposes and cannot itself be spent are accounted for as endowment funds. Other funds are classified as unrestricted funds. Funds which are not legally restricted but which the Trustee has chosen to earmark for set purposes are designated funds. The major funds held within these categories are disclosed in note 12.

1.5 Tangible Fixed Assets

The charity has no tangible fixed assets.

1.6 Investment Fixed Assets

Investment fixed assets (excluding cash) are shown at fair value, which is determined by their market value.

- i) Quoted stocks and shares are included in the balance sheet at mid-market price, ex-div.
- ii) Other investment fixed assets are included at Trustee's best estimate market value.

1.7 Realised 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 (or date of purchase if later). Unrealised gains and losses are calculated as the difference between market value at the year-end and opening market value (or date of purchase if later).

1.8 Intangible Fixed Assets

The charity has no intangible fixed assets.

1.9 Stock

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

1.1 Debtors

Trade and other debtors are recognised at cost, being the settlement amount due. Prepayments are valued at the amount prepaid net.

1.11 Cash at bank and in hand

Cash at bank and in hand includes cash held in the Liverpool University Hospitals NHS Charitable Fund's account and the amounts held in the 'income' accounts within the Charity's investment portfolios.

1.12 Creditors and provisions

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

1.13 Change in the Basis of Accounting

There has been no change in the basis of accounting.

1.14 Prior Year Adjustments

There has been no change to the accounts of prior years.

1.15 Pooling Scheme

An official pooling scheme is operated for investments covering all funds registered under the umbrella agreement. The scheme was registered with the Charity Commission on 26th March 2002.

1.16 Related Party Transactions

During the year none of the Trust Board or members of the key management staff or parties related to them has undertaken any material transactions with the Liverpool University Hospitals NHS Foundation Trust.

The charitable trust has made revenue and capital payments to the Liverpool University Hospitals NHS Foundation Trust, whose Trust Board members (whose names are listed below) also represent the Corporate Trustee.

Further details of related party transactions can be found in note 18.

Trust Board Members

S Musson	Chair (to February 2023)
D Flory	Chair (from February 2023)
T Johnston	Non Executive Director (to October 2022)
M Eastwood	Non Executive Director
S Samuels	Non Executive Director
E de Sousa	Non Executive Director
N Willcox	Non Executive Director (to March 2023)
I Ismail	Non Executive Director
Prof T Walley	Non Executive Director
D Gilbert	Non Executive Director (from December 2022)
H Citrine	Non Executive Director (from January 2023)
D Dalton	Interim Chief Executive Officer (from September 2021 to May 2022)
J Sumner	Chief Executive Officer (from May 2022)
E Inglesby-Burke	Interim Chief Nurse (from October 2021 to June 2022)
D Melia	Chief Nurse (from July 2022)
J Brennan	Interim Medical Director (from October 2021 to June 2022)
J Gardner	Executive Medical Director (from July 2022)
R Forster	Deputy Chief Executive Officer & Chief Finance Officer
D Herring	Chief People Officer (to June 2022)
H Bennett	Chief People Officer (from January 2023)
B Weston	Chief Operating Officer

Donations & Legacies	2.1					
		Unrestricted 2022-23 Funds £000	Restricted 2022-23 Funds £000	Endowment 2022-23 Funds £000	Total 2022-23 Funds £000	Total 2021-22 Funds £000
Donations		95	685	0	780	569
Legacies		0	732	0	732	489
Total		95	1,417	0	1,512	1,058
Trading Activities	2.2					
		Unrestricted 2022-23 Funds £000	Restricted 2022-23 Funds £000	Endowment 2022-23 Funds £000	Total 2022-23 Funds £000	Total 2021-22 Funds £000
Fundraising		0	0	0	0	0
Total		0	0	0	0	0
Investment Income	2.3					
		Unrestricted 2022-23 Funds £000	Restricted 2022-23 Funds £000	Endowment 2022-23 Funds £000	Total 2022-23 Funds £000	Total 2021-22 Funds £000
Dividends and investment Interest		0	302	0	302	227
Bank Interest		0	20	0	20	2
Total		0	322	0	322	229
Donation from AUH Charity	2.4					
		Unrestricted 2022-23 Funds £000	Restricted 2022-23 Funds £000	Endowment 2022-23 Funds £000	Total 2022-23 Funds £000	Total 2021-22 Funds £000
Transfer in from AUH Charity		715	240	6	961	0
Total		715	240	6	961	0
Expenditure on Raising funds	3					
		Unrestricted 2022-23 Funds £000	Restricted 2022-23 Funds £000	Endowment 2022-23 Funds £000	Total 2022-23 Funds £000	Total 2021-22 Funds £000
Fundraising Costs		0	360	0	360	442
Investment Management		0	68	0	68	59
Total		0	428	0	428	501
Expenditure on Charitable Activities	4					
		Unrestricted 2022-23 Funds £000	Restricted 2022-23 Funds £000	Endowment 2022-23 Funds £000	Total 2022-23 Funds £000	Total 2021-22 Funds £000
Patients Welfare & amenities		83	440	0	523	62
Staff Welfare & amenities		86	344	0	430	276
Research & Education		12	186	0	198	325
Contributions to NHS Capital		8	875	0	883	578
Total		189	1,845	0	2,034	1,241

Expenditure Other	5	Unrestricted 2022-23 Funds £000	Restricted 2022- 23 Funds £000	Endowment 2022-23 Funds £000	Total 2022-23 Funds £000	Total 2021-22 Funds £000
Governance		0	79	0	79	42
Total		0	79	0	79	42

Allocation and Apportion to Governance Costs	5.1	Basis of Allocation	Allocated to Governance £000	Residual for Apportion £000	Total 2022-23 Funds £000	Total 2021-22 Funds £000
Salaries		Time Spent	40	90	130	80
Establishment Costs		Governance	6	0	6	5
Audit Fee		Governance	16	0	16	8
Miscellaneous		Governance	17	1	18	5
Total			79	91	170	98

It should be noted that charity does not employ any staff directly. Rather, the salary costs above are for charity administration staff employed by the Hospital Trust and then the costs are recharged to the Charity.

Apportion of Support Costs	5.2	Direct Costs £000	Support Costs £000	Total costs 2022-23 £000	Total costs 2021-22 £000
Expenditure on raising Funds:					
Fundraising		338	22	360	442
Investment Management		44	24	68	59
Sub - Total		382	46	428	501
Expenditure on Charitable Activities:					
Patients Welfare & amenities		512	11	523	62
Staff Welfare & amenities		420	10	430	276
Research		194	4	198	325
Contributions to NHS Capital		863	20	883	578
Sub - Total		1,989	45	2,034	1,241
Governance		0	79	79	42
Total Expenditure		2,371	170	2,541	1,784

It should be noted that charity does not employ any staff directly. Rather, the salary costs of fundraising staff (included in the cost of fundraising above) are employed by the Hospital Trust and then the costs are recharged to the Charity.

Charity Activities by Type	5.3	Grants to Institutions 2022-23	Grants to Individuals 2022-23	Support Costs 2022-23	Total 2022-23	Total 2021-22
		£000	£000	£000	£000	£000
Patients Welfare & amenities		512	0	11	523	62
Staff Welfare & amenities		404	16	10	430	276
Research		194	0	4	198	325
Contributions to NHS Capital		863	0	20	883	578
Total		1,973	16	45	2,034	1,211

Grants awarded to institutions	5.4	Total 2022-23	Total 2021-22
		£000	£000
Liverpool University Hospital NHS FT		1,984	771
University of Liverpool		40	365
		2,024	1,136

Changes in Resources Available for Charity Use	6	Unrestricted 2022-23 Funds	Restricted 2022-23 Funds	Endowment 2022-23 Funds	Total 2021-22 Funds	Total 2021-22 Funds
		£000	£000	£000	£000	£000
Net movement in funds for the year		584	(676)	3	(89)	213
Net movement in tangible fixed assets		0	0	0	0	0
Net movement in funds available		0	0	0	0	0
		584	(676)	3	(89)	213

Tangible Fixed Assets 7 There are no fixed assets of the charity

Analysis of Fixed Asset Investments

	8	2022-23	2021-22
8.1 Fixed Asset Investments:		£000	£000
Market value at 31 March 2022		9,700	8,990
Gifted from AUH		808	0
Less: Disposals at carrying value		(2,835)	(2,119)
Add: Acquisitions at cost		2,829	2,119
Net gain on revaluation		(343)	710
Market value at 31 March 2023		<u>10,159</u>	<u>9,700</u>
Historic cost at 31 March 2023		<u>9,332</u>	<u>8,364</u>

8.2	Market value at 31 March:	Held in UK £000	2022-23 Total £000	2021-22 Total £000
	Investments listed on the Stock Exchange	9,900	9,900	8,912
	Cash held as part of the investment portfolio	259	259	788
		<u>10,159</u>	<u>10,159</u>	<u>9,700</u>

Post Balance events

9 Acquisition of AUH

Under an agreement dated 29 March 2022, the net assets of The Aintree University Hospital Charitable Fund (AUH) were transferred to The Liverpool University Hospitals NHS Charitable Fund (LUH), previously Royal Liverpool and Broadgreen University Hospitals NHS Charitable Funds) with effect from 1 April 2022.

AUH has been servicing similar charitable causes to those provided by LUH.

The following amounts of assets and liabilities were transferred at the acquisition date:

	Carrying Value £000
Investments	808
Debtors	102
Cash at Bank and In Hand	245
Creditors: Amounts Falling Due Within One Year	(85)
Creditors: Amounts Falling Due After One Year	(10)
Funds retained in AUH	(99)
	<u>961</u>

No consideration was paid, and the difference between the fair value of net assets transferred of £961,000 and the consideration paid of £nil has been recognised in the Statement of Financial Activities.

Funds of £99,000 have been retained in AUH until such a time that the charity will be in a position to wind down.

Analysis of Debtors		Total as at 31 MARCH 2023	Total as at 31 MARCH 2022
10		£000	£000
10.1	Amounts falling due within one year:		
	Prepayments	0	0
	Accrued income	382	634
	Total debtors falling due within one year	382	634
10.2	Amounts falling due over one year:		
	Total debtors falling due after more than one year	0	0
	Total debtors	382	634
Analysis of Creditors		Total as at 31 MARCH 2023	Total as at 31 MARCH 2022
11		£000	£000
11.1	Amounts falling due within one year:		
	Other creditors	916	266
	Accruals	2,298	2,163
	Deferred income	0	0
	Total creditors falling due within one year	3,214	2,429
11.2	Amounts falling due after more than one year:		
	Accruals	377	393
	Total creditors falling due after more than one year	377	393
	Total creditors	3,591	2,822

LIVERPOOL UNIVERSITY HOSPITALS NHS CHARITABLE FUND - FINANCIAL STATEMENTS 2022/23

Analysis of Funds 12

12.1	Endowment Funds 31.03.23	Balance 31 March 2022	Incoming Resources	Resources Expended	Transfers	Gains and Losses	Balance 31 March 2023
	(list individually)	£000	£000	£000	£000	£000	£000
A	M A Davies	19	0	0	0	(1)	18
B	S I V Cooke	15	0	0	0	(1)	14
C	Dr J Bernstein	3	0	0	0	0	3
D	Mr N Gibbon	40	0	0	0	(1)	39
E	Dr Ansell	0	6	0	0	0	6
	Others (1)	0	0	0	0	0	0
	Total	77	6	0	0	(3)	80

Details of
material
funds -
Endowment
Funds 31.03.23

12.2	Name of fund	Description of the nature and purpose of each fund
A	M A Davies	Bed endowment fund for Patients Welfare
B	S I V Cooke	Holiday fund for Nurses
C	Dr J Bernstein	RLUH Convalescence and recreation fund
D	Mr N Gibbon	Annual Urology Scholarship

12.3	Endowment Funds 31.03.22	Balance 31 March 2021	Incoming Resources	Resources Expended	Transfers	Gains and Losses	Balance 31 March 2022
	(list individually)	£000	£000	£000	£000	£000	£000
A	M A Davies	19	0	0	0	0	19
B	S I V Cooke	15	0	0	0	0	15
C	Dr J Bernstein	3	0	0	0	0	3
D	Mr N Gibbon	42	0	0	0	(2)	40
	Others (1)	0	0	0	0	0	0
	Total	79	0	0	0	(2)	77

Details of
material
funds -
Endowment
Funds 31.03.22

12.4	Name of fund	Description of the nature and purpose of each fund
A	M A Davies	Bed endowment fund for Patients Welfare
B	S I V Cooke	Holiday fund for Nurses
C	Dr J Bernstein	RLUH Convalescence and recreation fund
D	Mr N Gibbon	Annual Urology Scholarship

Analysis of Funds 12 cont'd

12.5 Funds 31.03.23		Balance 31 March 2022	Incoming Resources	Resources Expended	Transfers	Gains and Losses	Balance 31 March 2023
		£000	£000	£000	£000	£000	£000
Material funds (list individually)							
A	Endocrinology Fund	939	26	(51)	0	(30)	884
B	L'pool Reg Dialysis Fund	948	25	(146)	0	(27)	800
C	St Paul's Fnd. Prev of Blindness	452	422	(64)	0	(20)	790
D	RLUH Patient Welfare Fund	515	108	(54)	0	(15)	554
E	Forget Me Not Fund	390	18	(2)	0	(15)	391
F	St Paul's General Purpose	53	419	(116)	0	3	359
G	RLUH Renal Transplant Fund	361	11	(10)	0	(11)	351
H	RL&BUH General Purpose	42	295	(54)	0	(8)	275
	Others	4,764	655	(1,855)	0	(180)	3,384
	Total Restricted	8,464	1,979	(2,352)	0	(303)	7,788
	Total Unrestricted	0	810	(189)	0	(37)	584

Details of
material

Funds 31.03.23

12.6	Name of fund	Description of the nature and purpose of each fund
A	Endocrinology Fund	Any charitable purpose relating to disease of the gland
B	L'pool Reg Dialysis Fund	Any charitable purpose relating to Dialysis services
C	St Paul's Fnd. Prev of Blindness	For the public benefit Ophthalmic research connected to RLUH St Paul's Eye Unit
D	RLUH Patients Welfare Fund	For the relief of RLUH patients suffering from sickness and disease or its effects
E	Forget Me Not Fund	Any charitable purpose relating to cancer services
F	St Paul's General Purpose	Any charitable purpose relating to RLUH Ophthalmology Unit
G	RLUH Renal Transplant Fund	Any charitable purpose relating to Renal Transplant Unit
H	RL&BUH General Purpose	Any charitable purpose relating to Royal Liverpool & Broadgreen University Hospitals

12.7 Funds 31.03.22		Balance 31 March 2021	Incoming Resources	Resources Expended	Transfers	Gains and Losses	Balance 31 March 2022
		£000	£000	£000	£000	£000	£000
Material funds (list individually)							
A	Endocrinology Fund	808	372	(298)	255	95	1,232
B	RLUH General Purpose	747	149	(18)	0	70	948
C	L'pool Reg Dialysis Fund	865	22	(16)	0	68	939
D	RLBUHT General Purpose	490	15	(21)	0	31	515
E	RLUH Patient Welfare Fund	205	464	(283)	0	69	452
F	Forget Me Not Fund	475	22	(5)	(147)	45	390
G	BGH Haematology Fund	328	13	(6)	0	26	361
H	RLUH Renal Transplant Fund	283	7	(19)	0	22	293
	Others	4,048	226	(1,118)	(108)	286	3,334
	Total	8,249	1,287	(1,784)	0	712	8,464

Details of
material

Funds 31.03.22

12.8	Name of fund	Description of the nature and purpose of each fund
A	Endocrinology Fund	Any charitable purpose relating to disease of the gland
B	RLUH General Purpose	Any charitable purpose relating to Royal Liverpool University Hospital
C	L'pool Reg Dialysis Fund	Any charitable purpose relating to Dialysis services
D	RLBUHT General Purpose	Any charitable purpose relating to Royal Liverpool & Broadgreen University Hospitals
E	RLUH Patients Welfare Fund	For the relief of RLUH patients suffering from sickness and disease or its effects
F	Forget Me Not Fund	Any charitable purpose relating to cancer services
G	BGH Haematology Fund	Any charitable purposes relating to Haematology Unit
H	RLUH Renal Transplant Fund	Any charitable purpose relating to Renal Transplant Unit

Contingencies 13 There were no contingent assets or liabilities for the charity included in the accounts:

Commitments, Liabilities and Provisions 14.1 The Charity has no commitments, liabilities or provisions.

14.2 The Trustee recognise liabilities in the accounts once they have incurred either a legal or constructive obligation to expend funds.

Trustee and Connected Persons Transactions

15

15.1 Trustee expenses reimbursed

Travel and subsistence

Entertainment

Other (please describe)

2022-23

£

0

0

0

0

2022-22

£

0

0

0

0

Total number of Trust Board Members representing the Trustee

12

13

15.2 There was no Trustee remuneration

15.3 There were no transactions with a Trustee or connected persons in any personal capacity

15.4 Trustee Indemnity Insurance

Cover provided under Liverpool University Hospitals NHS Foundation Trust's Litigation Authority Non-clinical risk scheme.

Loans or Guarantees Secured against assets of the charity

16

None

Connected Organisations

17

Name, nature of connection, description of activities undertaken and details of any qualifications expressed by their auditors	2022-23		2021-22	
	Turnover of Connected Organisation	Net Profit/ (Loss) for the Connected Organisation	Turnover of Connected Organisation	Net Profit/ Loss for the Connected Organisation
	£	£	£	£
Liverpool University Hospitals NHS FT	1,173,144,000	(303,991,000)	1,153,353,000	(7,379,000)

Related party Transactions

18

Related party transactions

During the year none of the Trust Board or members of the key management staff or parties related to them has undertaken any material transactions with the Liverpool University Hospitals NHS Charitable Fund.

Professor T Walley, Non-Executive member of the Trust Board during 2022/23, is also an employee of the University of Liverpool. The Charity is involved in numerous transactions with the University of Liverpool, involving staff recharges and other research related costs. The Charity accounted for new grant activity relating to the University of Liverpool of £38,714 (2021/22: £364,639). Total outstanding owed to the University of Liverpool at 31st March 2023 stood at £501,366 (2021/22: £765,009), although these figures do contain planned future grant spend of £391,113 (2021/22: £522,980) that hasn't been incurred yet. Professor Walley had no part in these transactions.

Independent auditors' report to the trustees of Liverpool University Hospitals NHS Charitable Fund

Opinion

We have audited the financial statements of Liverpool University Hospitals NHS Charitable Fund (the 'charity') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2023 and of its incoming resources 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 for opinion

We have been appointed as auditor under section 149 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. 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 UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions related to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the trusts ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Independent auditors' report to the trustees of Liverpool University Hospitals NHS Charitable Fund (continued)

Other Information

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the Annual Report, other than the financial statements and our Independent Auditors' Report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Under the Charities Act 2011 we are required to report to you if, in our opinion the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements. We have no exceptions to report arising from this responsibility.

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 & Reports) Regulations 2008 requires us to report to you if, in our opinion:

- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustee's Responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Independent auditors' report to the trustees of Liverpool University Hospitals NHS Charitable Fund (continued)

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 149 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 auditors' 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.

Based on our understanding of the charity and sector, we identified that the principal risks of non-compliance with laws and regulations related to UK tax legislation and regulations which govern the preparation of financial statements, and 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 financial statements such as the Charities Act 2011. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase revenue, through management bias in manipulation of accounting estimates or accounting for significant transactions outside the normal course of operations. Audit procedures performed included:

- Enquiry of management around actual and potential litigation and claims and instances of non-compliance with laws and regulations;
- Auditing the risk of management override of controls, through testing journal entries and other adjustments for appropriateness, testing accounting estimates (because of the risk of management bias), and evaluating the rationale for significant transactions outside the normal course of operations;
- Reviewing financial statement disclosures and agreeing to supporting documentation to assess compliance with applicable laws and regulations; and
- Review of trustee meeting minutes.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditors' report.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. 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.

Independent auditors' report to the trustees of Liverpool University Hospitals NHS Charitable Fund (continued)

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 154 of the Charities Act 2011 and for no other purpose. 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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Jason Leach FCA (Senior Statutory Auditor)

Bennett Brooks & Co Limited

Chartered Accountants and Statutory Auditors

Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

St George's Court

Winnington Avenue

Northwich

Cheshire

CW8 4EE

LIVERPOOL UNIVERSITY HOSPITALS NHS CHARITABLE FUND

England & Wales - Charity number 1047988

Accounts



**Liverpool University Hospitals NHS
Charitable Fund
(formerly Royal Liverpool and Broadgreen
University Hospitals NHS Trust Charitable
Funds)**

Registered Charity Number 1047988

**ANNUAL REPORT
&
FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 MARCH 2022

**Royal Liverpool University Hospital
Prescot Street
Liverpool
L7 8XP**

Liverpool University Hospital NHS Charitable Fund
(formerly Royal Liverpool & Broadgreen University Hospitals NHS Trust Charitable Funds)

**ANNUAL REPORT
& FINANCIAL STATEMENTS 2021/2022**

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**LIVERPOOL UNIVERSITY HOSPITALS NHS CHARITABLE FUND
(FORMERLY ROYAL LIVERPOOL & BROADGREEN UNIVERSITY HOSPITALS
NHS TRUST CHARITABLE FUNDS)**

Registered Charity No 1047988

ANNUAL ACCOUNTS 2021-22

The accounts of the funds held on trust by the Liverpool University Hospitals NHS Foundation Trust.

FOREWORD

These financial statements have been prepared by the Trustees in accordance with the Charities Act 2011 and the Charities Statement of Recommended Practice (SORP) (FRS 102) 2019.

STATUTORY BACKGROUND

The NHS Trust is the corporate trustee of the funds held on trust under paragraph 16c of Schedule 2 of the NHS and Community Care Act 1990. Royal Liverpool and Broadgreen University Hospitals NHS Trust dissolved on the 30th September 2019, joining with Aintree University Hospital NHS Foundation Trust to become a combined organisation named Liverpool University Hospitals NHS Foundation Trust from 1st October 2019.

MAIN PURPOSE OF THE FUNDS HELD ON TRUST

The main purpose of the charitable funds held on trust is to apply income for any charitable purpose relating to the National Health Service wholly or mainly for the services provided by the Liverpool University Hospitals NHS Foundation Trust

**LIVERPOOL UNIVERSITY HOSPITALS NHS CHARITABLE FUND
(FORMERLY ROYAL LIVERPOOL AND BROADGREEN UNIVERSITY
HOSPITALS NHS TRUST CHARITABLE FUNDS)**

STATEMENT OF TRUSTEE'S RESPONSIBILITIES

The Trustee is responsible for preparing the Trustees' Annual report and the financial statements in accordance with applicable laws and regulations

The Charities Act 2011 requires the trustees to prepare financial statements for each financial year. The trustees have to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. The trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period.

In preparing these financial statements, the Corporate Trustee is required to:

- select suitable accounting policies and 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 to operate.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and 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. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Trustee confirms that it has met the responsibilities set out above and complied with the requirements for preparing the accounts. The financial statements set out on pages 25 to 42 attached have been compiled from and are in accordance with the financial records maintained by the Trustee.

The 2021/22 Annual Report & Accounts have been approved by the Trust Board, at a meeting held on 10th November 2022.

By Order of the Trustee

Signed :

Chair *Sue Kluska*

Dated ..10/11/2022

Financial Trustee *[Signature]*

Dated ..10/11/2022

CHARITABLE FUNDS

TRUSTEE REPORT

Introduction

It is with pleasure that the Trust presents the twenty-sixth annual report for the Charitable Funds of the Liverpool University Hospitals NHS Charitable Fund (formerly Royal Liverpool and Broadgreen University Hospitals NHS Trust).

The Trust is the sole corporate trustee for all charitable funds registered under the name of the Liverpool University Hospitals NHS Charitable Fund (formerly Royal Liverpool and Broadgreen University Hospitals NHS Trust Charitable Funds), the **main** charity of the Trust.

The **main** charity, is the charity that has been created with purposes wide enough for all other charities administered by its Trustee to be recorded as **special trusts** in an *umbrella* registration arrangement.

This report and financial statements has been prepared in accordance with the requirements of applicable law and SORP (FRS 102).

Legal and Administrative Details

In June 1995, the Charity Commission issued an Umbrella Charity Registration Number, under which all the individual charitable funds administered by the Trustee have been recorded as special trusts. The umbrella charitable fund is held upon trust for “any charitable purpose or purposes relating to the National Health Service”. Special trusts are funds (or property) held on separate trusts, on behalf of the charity, for any special purposes of that charity. These funds are referred to as restricted funds where the donor has imposed a restriction on how or where or when the Trustee can apply the funds. A schedule of the special trusts is appended (Appendix A).

The Liverpool University Hospitals NHS Foundation Trust is the Corporate Trustee of the Charitable Funds governed by the law applicable to Trusts, principally the Trustee Act 2000 and also the Charities Act 2011, the SORP (FRS 102) and the Trust Deed.

The **registered charity number** of the Royal Liverpool and Broadgreen University Hospitals NHS Trust Charitable Funds is **1047988**. The Registered address is:

Royal Liverpool & Broadgreen University Hospital
Prescot Street
Liverpool L7 8XP

The corporate trustee of Liverpool University Hospitals NHS Foundation Trust also oversees a second NHS charity, The Aintree University Hospital Charitable Fund (charity registration number 1050542). The Charity Commission has approved an order for the assets and liabilities of the Aintree Charity to be transferred over to the RL&BUHT charity, and this will be acted upon during 2022/23 financial year. The R&LBUHT Charity will also amend it's name to reflect this change, and will in future be known as Liverpool University Hospitals NHS Trust Charitable Fund. The name change was agreed by the Charity Commission on 22nd September 2022.

The charity is administered by the **Charitable Funds Committee**, which consists of executive and non-executive directors of the Trust, on behalf of the Trust Board. The committee meets quarterly to set and monitor administrative policy and consider spending applications. Membership of the Charitable Funds committee is decided by the Trust Board as vacancies arise. Executive members of the Trust Board are subject to recruitment by the Board whereas Non-Executive members are appointed by NHS Improvement. Members of the Trust Board and the Charitable Funds Committee are not individual trustees under Charity Law but act as agents on behalf of the Corporate Trustee. New Charitable Funds Committee members are provided with induction literature that includes the committee's terms of reference; Trustee's Annual report and Accounts; previous committee minutes and the Charity Commission booklet CC3, *the Essential Trustee*. The "charitable funds section" within the Trust's finance department, is responsible to the committee for the day-to-day administration of all charitable matters.

During 2021/22 the Charitable Funds Committee comprised of:

Ms Mandy Wearne	Non-Executive Director (Committee Chair) until 31/08/2021
Mr Ibrahim Ismail	Non-Executive Director (Committee Chair) from 01/09/2021)
Mr Robert Forster	Deputy Chief Executive & Chief Finance Officer
Ms Dianne Browne	Chief Nurse until 03/10/2021
Ms Elaine Inglesby-Burke	Interim Chief Nurse from 04/10/2021
Mr Tristan Cope	Medical Director to 17/10/2021
Mr John Brennan	Interim Medical Director from 18/10/2021

The Trust's charitable funds are held distinct from the exchequer funds of the Liverpool University Hospitals NHS Foundation Trust. The charity's bank accounts are held at:

Natwest 2 nd Floor 280 Bishopsgate London EC2M 4RB	and	Barclays Bank plc 48B/50 Lord Street Liverpool L2 1TD
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The charitable funds investments are held by Bankers Trust, as nominee for the Trustee. The investments are managed on behalf of the charity by the following three investment managers:

Rathbone Investment Management Ltd Port of Liverpool Building Pier Head Liverpool L3 1NW	UBS AG 5 Broadgate London EC2M 2AN
--	--

Legal advice is provided to the Trustee by:

Hill Dickinson Solicitors
Pearl Assurance House
Derby Square
Liverpool L2 9XL

The Trustee responsibilities, which include; the maintenance of financial records appropriate to the activities of the funds; the establishment and monitoring of a system of internal control; safeguarding the assets of the funds held on trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities; are subject to "internal audit" verification by;

Mersey Internal Audit Agency
Regatta Place
Brunswick Business Park
Summers Road
Liverpool L3 4BL

The appointed auditors are;

Bennett Brooks & Co Limited
St George's Court
Winnington Avenue
Northwich CW8 4EE

Objectives

The Charity's umbrella fund has NHS wide objectives 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.

Within this overall governing framework provided by the umbrella, the charity has 111 separately registered charitable funds with their own specific objectives, restricting the NHS criteria above to particular areas of activity and/or particular services, departments and Hospitals that are, primarily, under the management of the organisation (The latter rule provides some flexibility to allow individual charities to support activities outside the control of the Trust). In addition, there is also a separately registered Common Investment fund.

The operation of such a large number of individual funds within a complex NHS organisation could potentially lead to divergent policies. However, the Charitable Funds Committee operates as a unifying force, working closely with delegated fundholders and senior managers to ensure that all funds are utilised for the benefit of the organisation as a whole and as part of the overall strategic direction of the Trust.

The main aim of the charity is to improve the provision of high quality patient care, working with the Trust to develop services throughout the organisation, focusing on areas not covered or fully supported by exchequer funds. This will include the improvement of the Hospital environment for both patients and staff and supporting better facilities for the Trust. As a large acute teaching hospital, the Trust also has significant links with the local universities, particularly the University of Liverpool. Another important aim of the charity is therefore to provide financial aid to support and encourage our clinicians in new research projects, many of which are co-ordinated through the University of Liverpool. However, in the short to medium term, the Charity is very much focused on supporting the Hospital Trust in delivering the highest possible standards of treatment and care to our patients when the new Royal Hospital opens in September 2022.

Annual Report and Accounts

Incoming resources to the Trust's charitable funds totalled £1,287,000 for the year ended 31 March 2022, a fall of £406,000 on the previous twelve months total of £1,683,000. The drop in income from last year was due to donations decreasing by £744,000 to £569,000, a consequence of much less covid related donations being received in 2021/22 compared with 2020/21. However, legacy income did increase significantly in 2021/22, rising from £133,000 in 2020/21 to £489,000.

Included within these figure are :-

- a) Corporate donations of £284,000 of which £200,000 was received through direct fundraising (including £187,000 to our New Royal Hospital Appeal and £13,000 for the Foundation for the Prevention of Blindness fund). The largest corporate donations received included:
 - i) £100,000 from six donations made by Norton Responsible Recycling for the New Royal Hospital Appeal.
 - ii) £67,500 from the Veolia Environmental Trust (second phase) contribution to complete a garden space development on the Broadgreen Hospital site.
 - iii) £15,500 from HSBC to contribute towards refurbishing a learning facility on the Broadgreen Hospital site.
- b) Donations from individuals of £285,000, including £253,000 through fundraising (£5,000 for the Covid Appeals; £76,000 for the Foundation for the Prevention of Blindness fund; £2,000 for the FMN Cancer Appeal fund; £155,000 for the New Royal Hospital Appeal)

The trust's donated income policy, which prescribes how donations should be collected and recorded, is shown in Appendix B.

Legacies from two bequests were received totalling £11,000. A further five legacies totalling £478,000 were also notified and accounted for in the year ended 31st March 2022. The largest single bequests being:

- i) £350,000 from the estate of Mrs Mavis Martland (deceased).
- ii) £120,000 from the estate of Julie Partington (deceased).
- iii) £10,000 was received from the estate of Alan Shawcross (deceased).

The total legacies accounted for during 2021/22 amounted to £489,000, up £356,000 on the previous year's figure of £133,000.

Investment income totalling £228,500 was earned during the year, a fall of £18,200 on the previous year's figure of £246,700. Dividends from equity stocks and gilts provided £226,800, and £1,700 was earned from interest on cash balances held (£0 in 2020/21).

Fundraising

We raise money for the many charitable funds across the Trust. The focus in 2021/22 returned to supporting various initiatives throughout the organisation, following the focus of the team on our Covid appeal during much of 2020/21.

The Charity makes use of fundraisers employed by the Liverpool University Hospitals NHS Foundation Trust, and subject to control and supervision by the Hospital Trust. There were no complaints received about the fundraising activity undertaken during 2021/22.

As always we are extremely grateful to the individuals and groups who fundraise for our charity, and help to support.

The charity also continues to support fundraising for the Foundation for the Prevention of Blindness Fund research charity. In 2021/22 over £439,000 was raised for the Foundation, including £351,000 of legacies.

Fundraising for the charity as a whole (excluding legacies and investment returns) raised £453,000, a fall of £804,000 on the previous twelve months figure of £1,257,000. This fall is disappointing but somewhat understandable, as 2020/21 was a unique year following the covid pandemic and the show of public support for the work of the NHS. Our Covid appeal, which brought in over £1,000,000 in 2020/21, raised only £5,000 during the 2021/22 financial year. The costs of operating the fundraising teams totalled £429,000, including staff costs of £272,000. In comparison, fundraising costs totalled £291,000 in 2020/21, including staff costs of £261,000. Non-pay fundraising costs rose from £30,400 in 2020/21 to £157,000, primarily as a result of incurring fees of £77,000 on external consultancy reviews and also £38,000 on the resumption of fundraising events.

Expenditure

Direct charitable expenditure for the year was £1,215,000, an increase of £118,000 on 2020/21 spend of £1,097,000. Expenditure accounted for in 2021/22 included contributions to Staff Welfare and Amenities of £270,000; Research and Education grants totalling £318,000; Patient Welfare & Amenities totalling £61,000 and grants of £566,000 were provided for NHS Capital projects.

Support costs attributable to the grants of £26,000 brought the total grants figure to £1,241,000. A further £501,000 (including £30,000 support costs) was incurred in the costs of generating funds for the charity, comprising £442,000 spent on generating voluntary income and £59,000 on investment management costs.

Major grants awarded during 2021/22 included:-

- a) £196,100 from the Foundation for the Prevention of Blindness fund to support a three year Ophthalmic academic in partnership with the University of Liverpool's Department of Eye and Vision Science.
- b) £149,300 from the Haematology fund to help support the provision of an outdoor garden for the new Clatterbridge Cancer Centre facility on the Royal Liverpool Hospital site.
- c) £116,800 from the Foundation for the Prevention of Blindness fund and Glaucoma Research fund to provide 50% support for a Senior Lecturer in Glaucoma post for two years.
- d) £103,900 from the Covid Appeal fund to provide a BTE workstation for our Occupational Health team.

The expenditure invested by the charity in supporting the services provided by the Hospital Trust has had a positive impact on the quality of care that the Trust is able to provide to its patients and stakeholders not only currently, but also in the future, meeting the overriding aims of the charity.

Governance costs, the central running costs of the charity that are not apportioned out as support costs, totalled £42,000. This included salary costs of £25,200; Audit fees of £7,800 and establishment/other expenses of £9,000. This was an overall fall of £10,400 on last year's governance costs of £52,400, primarily due to 2020/21 figures including the cost of an external governance review that was undertaken that year.

The overall charity spend in 2021/22 was consequently £1,784,000 in total (£1,543,000 in 2020/21).

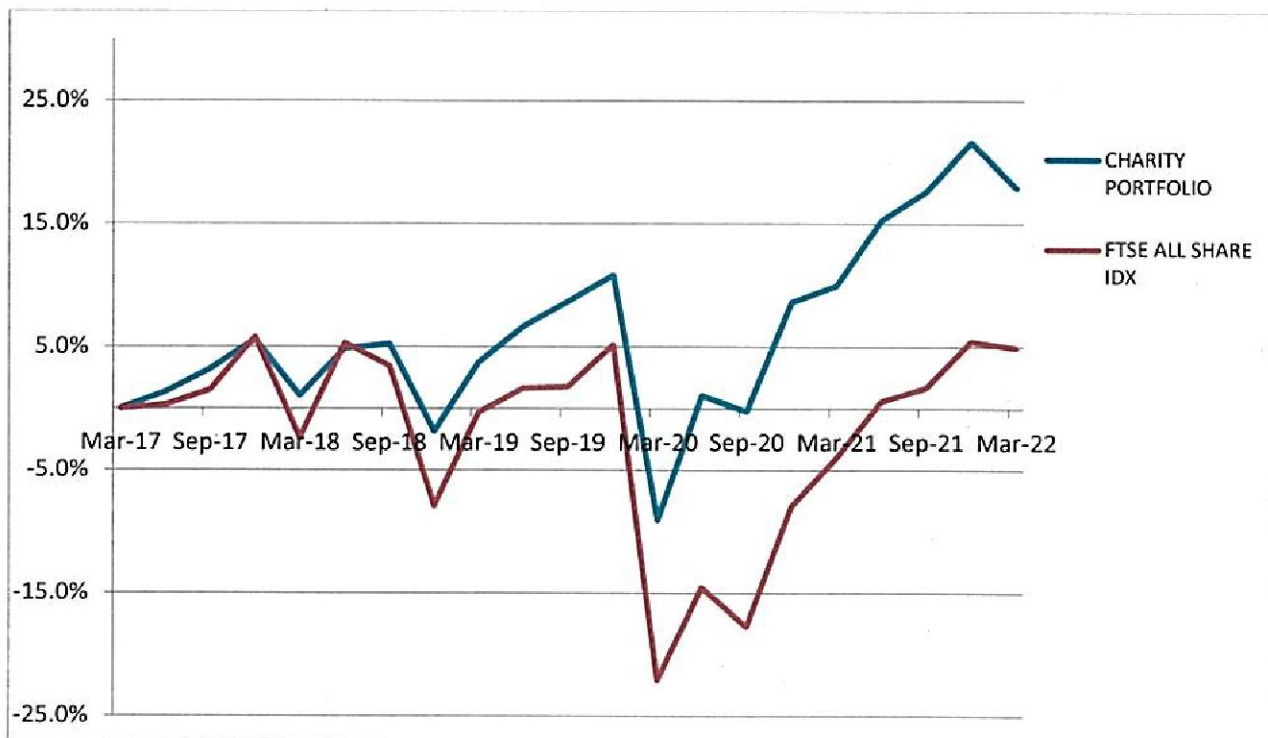
Gains/(losses) on Investment Assets

At the start of the 2021/22 financial year (1st April 2021), the market value of the investment portfolio stood at £8,990,000. Investment holdings totalling £2,119,000 were acquired during the year while investment holdings with a carrying value of £2,579,000 were disposed of during the year. The portfolio saw another rise in valuation during 2021/22, with an overall investment increase of £710,000 in the financial year following a gain of £1,713,000 in 2020/21 (after recovering from the significant global investment falls that occurred at the end of 2019/20 due to the covid-19 pandemic). This rise during 2021/22 equates to a +7.9% increase in the value of the portfolio, this is a solid performance, but it should be noted that in comparison, the investment markets performed slightly better with the FTSE All-SHARE up +9.3% over the same 12 month period, and the FTSE-100 up +12.0%. The financial year ended with a closing balance as at 31st March 2022 of £9,700,000 for the portfolio.

Realised profits/(losses) on sales; unrealised market revaluations and earned income on investments were apportioned to individual funds on a quarterly basis throughout the year.

Below is a graphical representation highlighting the rise and fall of the portfolio over the last five years against the FTSE-All Share index, from the end of 2016/17 (31st March 2017) to the end of 2021/22 (31st March 2022):

Table 1: Five year Investment performance of Charity portfolio vs FTSE-All Share index



The portfolio has increased by 17.9% since 31st March 2017, with the strong rebound in 2020/21 continuing into 2021/22 (following the collapse in world markets in late 2019/20 as a result of the covid-19 pandemic). This growth also equates to a significant over performance against the FTSE-All Share index, which has risen just 5.0% over the same five year period.

The investment portfolio also generated dividend returns of £226,800 in 2021/22 (£246,700 in 2020/21).

The investment guidelines operated by the Charitable Funds Investment Committee are shown in Appendix C.

Individual fund investment as part of the Investment Pool is reassessed each quarter end. The aim is to maximise the potential for investment returns taking into account the short-term spending patterns of each fund. The Charitable Funds Investment Committee measure the performance of the investment managers on a total return basis against certain benchmarks, including one comprising the UK FTSE-ALL SHARE (80%) and FTSE UK GILTS (20%).

Balance Sheet

The total net assets of the Trust's Charitable Funds as at 31st March 2022 were £8,541,000, an increase of £213,000 on the previous year's balance of £8,328,000. Although overall resources expended through charitable grants and administration were £497,000 higher than income received, the rise in investments of £710,000 resulted in an overall surplus being achieved in 2021/22.

The charity's total net assets comprised:-

- a) total fixed assets of £9,700,000 solely representing the value of the investment portfolio as at 31st March 2022.
- b) total current assets of £1,663,000; including:
 - i) stocks of £5,000 in respect of fundraising activities, which have been valued at cost;
 - ii) debtors of £634,000, including £505,000 for notified legacies, not yet received.
 - iii) cash balances of £1,024,000 being held to provide cash reserves to each of our registered charities to meet commitments as they arise.
- c) creditors falling due within one year of £2,429,000;
- d) creditors falling due after more than one year of £393,000

Risk Management

The Trustee has drawn up a Risk Management Policy for the Trust as a whole and the Charitable Funds Committee have adopted this policy. The policy details the process to be used in identifying risk and controls, assessing risks and evaluating the actions required.

The major risks to which the charity is exposed have been identified and considered. They have been reviewed and systems established to mitigate those risks.

The most significant risk identified was possible losses from a fall in the value of the investments and the level of reserves available to mitigate the impact of such losses. This has been carefully considered and there are procedures in place to review the investment policy and ensure that both spending and firm financial commitments remain in line with income. The Investment Pool guidelines adopted by the Charitable Funds Committee are shown in Appendix D.

Reserves

Fund balances as at 31st March 2022 total £8,541,000; of which £77,000 is held as capital in perpetuity and as such cannot be freely expended.

There is a further £639,000 of funds held in the form of current assets (stocks £5,000 and debtors £634,000) and as such these resources are not immediately available for expenditure.

This leaves a balance of resources of £7,825,000. These resources are currently available to be applied in the furtherance of their charitable objectives. Based upon recent levels of income (the last three years), this represents 4 years of funds, which is over the 3-year parameter target set out in the Charity's reserves policy which is shown in Appendix E. The Trustee accept that fund balances are too high, but it should be noted that reserves at the end of 2014/15 represented 8 years of funds, and 6 years of funds at the end of 2018/19, so progress continues to be made.

Grant Making Policy

Bids for charitable grants are considered on their individual merits. All grant requests relating to restricted funds under direct control of the Charitable Funds Committee (General purpose funds), require the completion and submission of a charitable funds application.

Grant requests relating to restricted funds with delegated fundholders (Special funds only) will require the completion and submission of a charitable funds application if the grant requested is over £5,000. All such applications have to then be approved by the committee. A delegated fund-holder is able to authorise bids against their special purpose fund without the need for an application if the grant requested is under £5,000. When considering special purpose fund bids, the committee will determine whether the bid meets all the criteria of the objects of the fund and also supports the development of the particular directorate/department concerned. With regards to general purpose bids, the committee has agreed guidelines to follow. The guidelines are shown in Appendix F.

Public Benefit

The Trustee ensures that all grants and spending plans contain identifiable public benefits, which are clear, understandable and meet the objects of the particular charity concerned (under the Liverpool University Hospitals NHS Charitable Fund umbrella – formerly Royal Liverpool & Broadgreen University Hospital NHS Trust Charitable Funds).

Section 17 of the Charities Act 2011 explains the duty of Trustee to have due regard to the public benefit in the management and decision making of the Charity. The Trustee has ensured that the public benefit requirement is strongly embedded within the procedures and controls the Charity has in place, through all stages of the grant approval process and also the monitoring of grant expenditure after approval has been given (all grant expenditure is verified before payment that the spend relates to activity set out and approved in the grant application).

Future Plans

As has continually been the case year after year, a major proportion of Charitable funds expended will be allocated to provide significant support, throughout the Trust, for high quality research work amongst our clinicians. The charity will continue to support patient amenity and staff welfare, and also look to assist in the development of new initiatives and also assist in supporting equipment purchases for the new Royal Hospital when it opens in the Autumn of 2022.

Conclusion

2021/22 has been another strong year for the charity, with the charity being able to commit further significant resources to support the Hospital Trust in improving the patient experience through investment in research, equipment, staff training & wellbeing and service developments, despite all the challenges faced by the continued disruption of the covid-19 pandemic. It must be recognised that none of our achievements would be possible without the hard work and generous support of volunteers; individual, corporate and trust donors, and sponsors and patrons alike. A very warm and heartfelt thanks goes out to all, for their dedication and continued support of the Trust's charities.

Sue Musson

.....

10 / 11 / 2022

..... / /

Sue Musson
Chair

Royal Liverpool & Broadgreen University Hospitals (NHS) Trust
CHARITABLE FUNDS

SCHEDULE OF CHARITABLE FUNDS

Main Charity

Royal Liverpool and Broadgreen University Hospitals NHS Trust Charitable Funds.

Special Trusts

1. Royal Liverpool and Broadgreen University Hospitals NHS Trust General Purpose Funds.
2. Broadgreen Hospital General Purpose Fund.
3. Liverpool Dental Hospital General Purpose Fund.
4. Royal Liverpool University Hospital Ophthalmology Unit General Purpose Fund.
5. Royal Liverpool University Hospital General Purpose Fund.
6. Broadgreen Hospital Staff Welfare Fund.
7. Liverpool University Dental Hospital Staff Welfare Fund.
8. Royal Liverpool University Hospital St Paul's Eye Unit Staff Welfare Fund.
9. Royal Liverpool University Hospital Staff Welfare Fund.
10. Broadgreen Hospital Patients Welfare Fund.
11. Liverpool University Dental Hospital Patients Welfare Fund.
12. Royal Liverpool University Hospital St Paul's Eye Unit Patients Welfare Fund.
13. Royal Liverpool University Hospital Patients Welfare Fund.
14. Broadgreen Hospital Anaesthetics Directorate Fund.
15. Broadgreen Hospital Activities and Rehabilitation Unit Fund.
16. Royal Liverpool University Hospital Virology Fund.
17. Royal Liverpool University Hospital Urology Fund.
18. Royal Liverpool University Hospital St Paul's Eye Unit Sight Saver Fund.
19. Royal Liverpool University Hospital Rheumatology Fund.
20. Royal Liverpool University Hospital Ophthalmology Unit Junior Doctor Education Fund.
21. Royal Liverpool University Hospital Respiratory Research Fund.
22. Royal Liverpool University Hospital St Paul's Eye Unit Research into Disease of the Eye Fund.
23. Royal Liverpool University Hospital Renal Transplant Fund.
24. Royal Liverpool University Hospital Renal Units Amenity Fund.
25. Royal Liverpool University Hospital Radiopharmacy Fund.
26. Royal Liverpool University Hospital Radiology Fund.
27. Royal Liverpool University Hospital Parenteral and Enteral Nutrition Fund.
28. Royal Liverpool University Hospital Pain Research Fund.
29. Royal Liverpool University Hospital St Paul's Eye Unit Pacc Diabetic Fund.
30. Royal Liverpool University Hospital St Paul's Eye Unit Optic Nerve Research Fund.
31. Royal Liverpool University Hospital Nutrition Research Fund.
32. Royal Liverpool University Hospital Nursing Professional Development Fund.
33. Royal Liverpool University Hospital St Paul's Eye Unit Nurse Training Fund.
34. Royal Liverpool University Hospital Nuclear Medicine Fund.
35. Royal Liverpool University Hospital Movement Disorders in the Elderly Fund.
36. Royal Liverpool University Hospital Department of Psychiatry Fund.
37. Bequest by Dr Jack Bernstein.
38. Royal Liverpool University Hospital Continuing Care Fund.
39. Royal Liverpool University Hospital Colorectal Cancer Fund.

40. Sir John Joseph Shute Charity.
41. Royal Liverpool University Hospital Chemical Pathology Fund.
42. Royal Liverpool University Hospital Chapel Fund.
43. Royal Liverpool University Hospital Cardiac Fund.
44. Royal Liverpool University Hospital Cancer Research Fund.
45. Royal Liverpool University Hospital Breast Cancer Fund.
46. Royal Liverpool University Hospital Bacteriology Fund.
47. Broadgreen Hospital Training Unit Fund.
48. Liverpool University Dental Hospital Dental Surgery Assistants School Fund.
49. Liverpool University Dental Hospital Smile Fund.
50. Broadgreen Hospital Surgical Directorate Fund.
51. Broadgreen Hospital Radiology Fund.
52. Broadgreen Hospital Postgraduate Medical Centre Fund.
53. Broadgreen Hospital Physiotherapy Education Fund.
54. Broadgreen Hospital Pharmacy Fund.
55. Broadgreen Hospital Pain Relief Fund.
56. Broadgreen Hospital Nurses Recreation Fund.
57. Broadgreen Hospital Minimal Invasive Therapy Fund.
58. Broadgreen Hospital Medicine for the Elderly Fund.
59. Broadgreen Hospital Medical Unit Fund.
60. Broadgreen Hospital Hypertension Fund.
61. Broadgreen Hospital Haematology Fund.
62. Broadgreen Hospital Gastroenterology Fund.
63. Broadgreen Hospital Manx Patient Fund.
64. Broadgreen Hospital Broadgreen Dieticians Fund.
65. Broadgreen Hospital Diabetic Clinical Research Fund.
66. Broadgreen Hospital Continuing Care Fund.
67. Broadgreen Hospital Chapel Fund.
68. Broadgreen Hospital Cancer Research Fund.
69. Broadgreen Hospital Biochemistry Fund.
70. Royal Liverpool University Hospital Self-Dialysis Unit Fund.
71. Royal Liverpool University Hospital Minimal Invasive Therapy Fund.
72. Royal Liverpool University Hospital Microbiology Fund.
73. Royal Liverpool University Hospital Metabolic Unit Fund.
74. Liverpool Regional Dialysis Unit Fund.
75. Royal Liverpool University Hospital Leukaemia Fund.
76. Royal Liverpool University Hospital Intensive Therapy Unit Fund.
77. John Henry Hampson Deceased.
78. Royal Liverpool University Hospital St Paul's Eye Unit Glaucoma Research Fund.
79. Royal Liverpool University Hospital Genito-urinary Fund.
80. Royal Liverpool University Hospital Genital Medicine Fund.
81. Royal Liverpool University Hospital Gastroenterology Fund.
82. Royal Liverpool University Hospital Foundation for Genito-urinary Cancer.
83. Royal Liverpool University Hospital Eye Tumour Research Fund.
84. Royal Liverpool University Hospital Ear Nose and Throat Department Fund.
85. Royal Liverpool University Hospital Endocrinology Fund.
86. Royal Liverpool University Hospital Dialysis Patients Welfare Fund.
87. Royal Liverpool University Hospital St Paul's Eye Unit Diabetic Eye Research Fund.
88. Royal Liverpool University Hospital Diabetic Fund.
89. Royal Liverpool University Hospital Diabetes and Metabolism Fund.
90. Royal Liverpool University Hospital Dermatology Fund.
91. Royal Liverpool University Hospital Department of Surgery Fund.
92. Royal Liverpool University Hospital Arthritis and Rheumatism Fund.
93. Royal Liverpool University Hospital St Paul's Eye Unit Anterior Segment Fund.
94. Royal Liverpool University Hospital Andria Butler Fund.

95. Royal Liverpool University Hospital Anaesthetic Fund.
96. Royal Liverpool University Hospital Anaesthetic and Intensive Care Research and Education Fund.
97. Royal Liverpool University Hospital Accident and Emergency Fund.
98. Royal Liverpool and Broadgreen University Hospitals NHS Trust Clinical Engineering Fund.
99. Royal Liverpool and Broadgreen University Hospitals Postgraduate Education Fund.
100. Royal Liverpool and Broadgreen University Hospitals Histopathology Fund.
101. Royal Liverpool and Broadgreen University Hospitals NHS Trust Advance Trauma Life Support Fund.
102. Royal Liverpool University Hospital Audiology Fund.
103. Royal Liverpool University Hospital Stoma Nurse Training Fund.
104. Broadgreen Hospital Cardiac Rehabilitation Fund.
105. Liverpool University Dental Hospital School of Dental Hygiene Fund.
106. Royal Liverpool and Broadgreen University Hospitals NHS Trust Prize Fund.
107. Royal Liverpool and Broadgreen University Hospitals Elderly Fund
108. Royal Liverpool University Hospital Forget Me Not Cancer Appeal.
109. Royal Liverpool & Broadgreen University Hospital Trust Common Investment Fund.
110. Royal Liverpool University Hospital Foundation for the Prevention of Blindness Fund.
111. Royal Liverpool & Broadgreen University Hospital Infectious Disease Unit
112. Royal Liverpool & Broadgreen University Hospital Norman Gibbon Urology Travel Scholarship Fund.

DONATED INCOME POLICY - GUIDELINES TO STAFF

In recognition of the first rate care given by our medics, nurses and other front line staff, patients and their family and friends often wish to make a financial donation to the Hospital to help improve facilities and services. The following guidelines are intended to assist staff in advising potential donors on how to go about making a donation to the Hospital's charitable funds:

1. Due to there being no mechanism in place to receipt income at ward/ departmental levels, it is not safe for staff to receive cash/cheques in person on the wards.
2. If staff are unsure how to advise potential donors how hospital donations can be made, please refer to the Fundraising Dept for further assistance and advice (tel. x3153).
3. Any potential donors should be advised that there are two possible options in making a donation whilst on hospital premises: -
 - i) During Office Hours:

All donations at the Royal Liverpool University Hospital (RLUH) site should be made/brought to the Fundraising Office located in the Main Reception area of the Hospital wherever possible. Only when the Fundraising Office is unmanned should the alternative option of donations being taken to the RLUH General Office be used.

For the Broadgreen Hospital site, the General Office located in the Surgical Corridor should continue to be used to make donations during Office hours.
 - ii) Out of Hours only:

Using an official donation envelope, obtainable from the ward and other locations throughout the Trust, and completing the details on the envelope and depositing the envelope in one of the Trust's donation boxes located throughout the Trust.
4. Alternatively, donors can make postal donations. Staff should advise all potential donors wishing to send in a donation to address the envelope directly to the Fundraising Department at the Royal Liverpool University Hospital.
5. Staff should also advise potential donors that cheques should be made payable to Royal Liverpool and Broadgreen University Hospitals Trust Funds or to the abbreviation RL&BUH Trust Funds. The particular charitable fund name can also be shown after the Trust name if preferred - e.g. RL&BUH Trust Funds (Leukaemia Fund).
6. Once the initial stocks of envelopes have been used, wards/departments can obtain new stocks of the official donation envelopes from either the RLUH or Broadgreen Hospital General Office.
7. Any other staff enquiries with regard to the Trust's charitable funds can be made to the Charitable Funds Section, 2nd Floor, Derwent House, RLUH (extension 2833 or 2885).
8. With these safeguards in place for dealing with cash, this policy protects members of staff from undue risk in handling and taking responsibility for donations. Staff are required to strictly adhere to the guidelines.

CHARITABLE INVESTMENT MANAGEMENT GUIDELINES

1.1 INVESTMENT OBJECTIVES

- 1.1 At the outset, to maximise total return through a diversified portfolio of equity, fixed interest and cash investments, in compliance with the Trust's investment powers as interpreted by the Trustee and in accordance with the strategy agreed with the Trustee from time to time. In due course, the Trustee may amend the objectives and strategy.

1.2 INVESTMENT PORTFOLIO

- 1.2.1 The Charity's investment portfolio is administered by a professional Investment Management firm on a discretionary basis and the management of the portfolio is delegated to the Charitable Funds Committee. The administration of the portfolio is put out to tender every 5 years.
- 1.2.2 The Trustee has determined that the objective of holding the investment portfolio is to secure a total return on investments.
- 1.2.3 In order to discharge its duties appropriately, the Trustee has approved the following Statement of Policy which the contracted Investment Management firm must adhere to.

1.3 STATEMENT OF POLICY

- a) The prime investment objective will be to maximise financial returns within the context of achieving a maximum total growth between "Income Yield" and "Capital Growth".
- b) Investments will either be quoted equities (categorised as "wide range") or fixed interest government gilts, corporate bonds, infrastructure funds and similar alternative less "risky" investments (categorised as "narrow range"). It is expected that the proportionate split between the two ranges will sit between 70:30 and 60:40 in favour of wide range investments to encourage capital growth in addition to income yield.
- c) The Trustee has defined the overall level of risk in the portfolio as moderate. This means that while individual investments may carry higher or lower levels of risk, a balanced approach to risk is required.
- d) The value of investing overseas should be assessed quarterly. It is expected that where overseas markets are performing well overseas investments will be maximised, however it is intended that no more than 30% of the portfolio will be invested overseas.
- e) It is intended that the maximum value of one equity holding will not materially exceed 10% of the total equity value within the portfolio.
- f) It is intended that the portfolio weighting of one sector will not be significantly higher than the equivalent market weighting.

- g) Speculative or hazardous investments will not be made. These include futures, options and contracts for differences; including Contingent Liability Transactions, as these investments carry excessive risk.
- h) The following trading arrangements will not be entered into:
 - a. Trading “adventures”.
 - b. Collective Investment Schemes which are not regulated Collective Investment Schemes including Schemes operated by us or Associates
- i) Careful consideration will be given to any ethical, health and sustainability issues arising in respect of investments. Where it is felt that an investment is in conflict with the Charity’s objectives and/or Government policies, no investment will be made
- j) As a minimum requirement, portfolio valuations will be presented to Charitable Funds Committee meeting’s twice a year. (The Committee is able to informally access ad-hoc on-line valuations basis based upon the previous working day’s closing position, and also receive quarterly valuation reports.)
- k) Any investment which is not immediately realisable (within 10 days) requires approval from the Charitable Funds Committee. These should be minimised and only approved where there are significant benefits and minimal risk of requiring these funds prior to realisation

1.4 PERFORMANCE AND STRATEGY REVIEW

- 1.4.1 The Charitable Funds Committee will review the portfolio at each Committee meeting and receive a performance presentation from the Investment Management firm on an annual basis, as a minimum.
- 1.4.2 The performance of the portfolio will be evaluated against a suitable benchmark measure approved by the Trustee. This benchmark will take into consideration the composition of the portfolio and should include the following:
 - a. UK Equity markets including FTSE 100
 - b. Overseas Equity markets including DOW, NASDAQ & DAX,
 - c. UK Gilts over 15 years index
- 1.4.3 On an annual basis, the Charitable Funds Committee will review a three year income and expenditure plan in order that short, medium and long-term investment objectives can be determined.
- 1.4.4 Charity investment objectives and portfolio strategy will be reviewed annually and at any time that the Charitable Funds Committee deem it appropriate. However, amendments to the investment strategy must be approved the Board of Directors, as the Corporate Trustee.
- 1.4.5 Where it is considered that funds are likely to be spent within the next six months, they should not be made available for investment within the portfolio.

1.4.6 The issues on which the Chief Finance Officer shall be required to provide advice to the Charitable Funds Committee shall include:

- the formulation of investment policy which meets statutory requirements and Department of Health guidance with regard to income generation and the enhancement of capital value; and which complies with any restrictions on investment choice contained within any relevant charitable deeds;
- the appointment of advisers, brokers and, where appropriate, investment fund managers and: -
- the Chief Finance Officer shall recommend the terms of such appointments; and for which written agreements shall be signed by the Chief Executive;
- pooling of investment resources and the preparation of a submission to the Charity Commission for them to make a scheme;
- the participation by the Trust in common investment funds and the agreement of terms of entry.

RL&BUHT Charitable Funds

Invested Pool Guidelines for Restricted Funds

1. A threshold limit of 80% is proposed for each special purpose fund. If, when compared against the funds total balance, the proportion of the outstanding commitments remain under this threshold, the current policy of investing as much as possible over the short-term is continued. The 20% buffer of uncommitted balances should ensure that a significant fall in investments would still allow the fund to meet its future obligations.
2. A funds committed balance can move above the threshold of 80% through the following:-
 - a) An application is approved which increases committed expenditure and takes the proportion of commitments over the 80% threshold.
 - b) A fall in the investment pool reduces the total value of the fund and the proportion of committed expenditure, although the amount remains constant consequently rises over the 80% threshold.

In either case, once the threshold is passed, a transfer of funds from out of the invested pool must takes place at the next quarter end to realise sufficient cash reserves to cover the outstanding commitment in its entirety.

3. Alternatively, an increase in invested funds could result in a funds committed balance falling below the threshold and allow for a proportion of the fund to be invested.

RL&BUHT CHARITABLE FUNDS - RESERVES POLICY

It is the Trustees' determination to demonstrate prudent stewardship of the charity and to ensure that the level of reserves is appropriate to the charity's circumstances.

In producing this statement, the Trustees have taken into consideration the Charity Commission guidance "Charities Reserves" (CC19).

1. Trustees are under a legal duty to apply charity funds within a reasonable time of receiving them. Reserves held without positive justification could give rise to a breach of this trust.
2. The Trustees of the charity are permitted to establish and maintain reserves where this is in the best interest of the charity.
3. The Trustees may establish and maintain reserves:
 - a) to meet current and anticipated expenses properly payable out of income,
 - b) for clearly defined major projects,
 - c) to avoid fluctuations in the amount of income distributed, and
 - d) to secure the charity's viability beyond the immediate future.
4. The Trustees would normally expect to spend at the same level as income is received taking one year with another.
5. Unrealised gains on investments will be included in the income in (4) above; however caution will be exercised over the application of the monies until such time as the gains are realised.
6. The charity will not undertake any major fundraising appeals unless a specific need/cause is clearly identified and approved by the Trustees.
7. Where it is anticipated that reserves which are freely available to be applied, will rise above a level equivalent to 36 months planned expenditure, action will be taken to expend, in accordance with charity objectives down to a level below this threshold.
8. Reserves will not be allowed to fall below a level equivalent to 12 months expected expenditure.
9. The charity Annual Report will include a brief statement on the current level of reserves and why they are held.
10. Reserves will be systematically monitored in light of forecast levels of future income, expenditure and assessment of future needs.
11. The Trustees will formally review this policy statement at least every 2 years.

RL&BUHT Charitable Funds

General Purpose Guidelines

1. An important consideration for the committee is to assess whether or not sufficient consideration has been given to identify other sources of financing. Requests for general purpose funding should not be made lightly, it is expected by the committee that each applicant make an effort to secure funding from other sources before applying to general purpose funds and written evidence to support this should be provided with the application itself. These other sources may include special purpose charitable funds.

The committee will therefore not normally consider any general purpose fund bids from directorates or departments that have adequate special purpose funds at their disposal.

2. General Purpose funds cannot normally be used as a substitute for routine revenue expenditure.
3. Consideration will be given to the purchase of medical equipment. However, the committee's priority will be to provide funding of equipment that develops clinical services and/or improves the treatment and care of patients rather than merely the replacement of existing equipment.
4. Capital schemes for the improvement of patient areas and the general environment of the Trusts hospitals will be considered by the committee.
5. General purpose funding to "kick-start" service developments involving staff appointments will only be considered by the committee after a full evaluation by the executive group. The evaluation must result in a commitment from the Trust to provide recurrent funding, if the trial is successful, after the charitable funding period. The trial period to evaluate the scheme should be kept to a minimum and can last no longer than twelve months.
6. The advancement of education is a charitable purpose and includes funds for medical research and the development of such. If medical research is being financed by charitable funds then the useful results of the research must be published in such a way that the public will benefit from the advancement of medical science to which the research has contributed. The support by a charity of private commercial research is not permitted. A large proportion of special purpose charitable funding is spent on individual research projects and the charitable funds committee has also awarded considerable recurring funds from general purposes towards the Research and Development (R & D) Support fund. Researchers without their own funding sources should apply for R & D Support funds through the annual bidding cycle and not general purposes directly. However, in exceptional circumstances the committee may consider the use of general purpose funds.
7. Bids for study and travel expenses relevant to the development or services of the Trust will be considered from general purpose charitable funding by the committee upon submission of an application.

Liverpool University Hospitals NHS Charitable Fund
(formerly Royal Liverpool and Broadgreen University Hospitals NHS Trust Charitable Funds)

FINANCIAL

STATEMENTS

2021/2022

Statement of Financial Activities for the year ended 31 MARCH 2022

	Note	2021/22 Unrestricted Funds £000	2021/22 Restricted Funds £000	2021/22 Endowment Funds £000	2021/22 Total Funds £000	2020-21 Unrestricted Funds £000	2020-21 Restricted Funds £000	2020-21 Endowment Funds £000	2020-21 Total Funds £000
Income and Endowments from:									
Donations & Legacies	2.1	0	1,058	0	1,058	0	1,446	0	1,446
Other Trading activities	2.2	0	0	0	0	0	0	0	0
Investments	2.3	0	229	0	229	0	247	0	247
Total Income & Endowments		0	1,287	0	1,287	0	1,693	0	1,693
Expenditure on:									
Raising funds	3	0	501	0	501	0	357	0	357
Charitable activities	4	0	1,241	0	1,241	0	1,134	0	1,134
Governance	5	0	42	0	42	0	52	0	52
Total Expenditure		0	1,784	0	1,784	0	1,543	0	1,543
Net Gains / (Losses) on Investments	8	0	712	(2)	710	0	1,714	(1)	1,713
Net Income / (Expenditure)		0	215	(2)	213	0	1,864	(1)	1,863
Transfers between funds		0	0	0	0	0	0	0	0
Net movement in funds	6	0	215	(2)	213	0	1,864	(1)	1,863
Reconciliation of funds:									
Fund balances carried forward at 31 MARCH 2021		0	8,249	79	8,328	0	6,385	80	6,465
Fund balances carried forward at 31 MARCH 2022		0	8,464	77	8,541	0	8,249	79	8,328

The notes at pages 29 to 42 form part of these financial statements.

Balance Sheet as at 31 March 2022

	Notes	Unrestricted Funds 31.03.22 £000	Restricted Funds 31.03.22 £000	Endowment Funds 31.03.22 £000	Total at 31 March 2022 £000	Unrestricted Funds 31.03.21 £000	Restricted Funds 31.03.21 £000	Endowment Funds 31.03.21 £000	Total at 31 March 2021 £000
Fixed assets:									
Investments	8	0	9,623	77	9,700	0	8,911	79	8,990
Total Fixed Assets		0	9,623	77	9,700	0	8,911	79	8,990
Current assets:									
Stocks		0	5	0	5	0	5	0	5
Debtors	10	0	634	0	634	0	153	0	153
Cash at bank and in hand		0	1,024	0	1,024	0	1,396	0	1,396
Total Current Assets		0	1,663	0	1,663	0	1,554	0	1,554
Creditors: Amounts falling due within one year	11.1	0	2,429	0	2,429	0	1,335	0	1,335
Net Current Assets / (Liabilities)		0	(766)	0	(766)	0	219	0	219
Total Assets less Current Liabilities		0	8,857	77	8,934	0	9,130	79	9,209
Creditors: Amounts falling due after more than one year	11.2	0	393	0	393	0	881	0	881
Total Net Assets		0	8,464	77	8,541	0	8,249	79	8,328
Funds of the Charity									
Capital Funds:									
Endowment funds	12.1	0	0	77	77	0	0	79	79
Income Funds:									
Restricted income funds	12.5	0	8,464	0	8,464	0	8,249	0	8,249
Unrestricted funds		0	0	0	0	0	0	0	0
Total charity funds		0	8,464	77	8,541	0	8,249	79	8,328

The notes at pages 29 to 42 form part of these financial statements.

Signed

Date

10/11/22

Statement of Cash Flows for the year ended 31 MARCH 2022

	Total 2021/22 £000	Total 2020/21 £000
Cash flows from Operating Activities:		
Net Cash provided by (used in) operating activities	<u>(601)</u>	<u>(898)</u>
Cash flows from investing activities:		
Returns on Investments	229	247
Proceeds from sale of investments	2,119	3,737
Purchase of Investments	<u>(2,119)</u>	<u>(3,229)</u>
Net cash provided by (used in) investing activities	229	755
Change in cash and cash equivalents	<u>(372)</u>	<u>(143)</u>
Cash and Cash equivalents at the start of the year	1,396	1,539
Cash and Cash equivalents at the end of the year	<u>1,024</u>	<u>1,396</u>

Reconciliation of net income / (expenditure) to net cash flow from Operating activities

Net income / (expenditure) as per the SOFA	213	1,863
Dividends and Interest from Investments	(229)	(247)
(Increase) / decrease in Stocks	0	1
(Increase) / decrease in Debtors	(481)	25
Increase / (decrease) in Creditors	606	(827)
(Increase) / decrease in Investment Gains / Losses	(710)	(1,713)
Net cash (outflow) / inflow from operating activities	<u>(601)</u>	<u>(898)</u>

**LIVERPOOL UNIVERSITY HOSPITALS NHS CHARITABLE FUND
(FORMERLY ROYAL LIVERPOOL AND BROADGREEN
UNIVERSITY HOSPITALS NHS CHARITABLE FUNDS)**

NOTES TO THE ACCOUNTS

ACCOUNTING POLICIES

1.1 Basis of preparation

The financial statements have been prepared in accordance with 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 – (Charities SORP (FRS 102)), the Financial Reporting Standards applicable in the UK and the Republic of Ireland and the Charities Act 2011.

Royal Liverpool & Broadgreen University Hospitals Charitable Funds meets the definition of a public benefit entity under FRS 102.

(a) Going Concern

The Trustees have carried out an assessment and are of the view that , given the high levels of cash and investments, the charity is a going concern, with no material uncertainties about the charity's ability to continue.

(b) Critical Accounting Judgements and Estimates

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the charities accounting policies and the reported assets, liabilities, income and expenditure and the disclosures made in the financial statements. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the current circumstances. Key judgements concern the timing of recognition of legacy income and the recognition of awards granted to the Trust.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

1.2 Income

The policies followed, which deal with income, voluntary assistance and donations, are:

(a) All incoming resources are included in full in the Statement of Financial Activities as soon as the following three factors can be met:

- i) Entitlement - arises when a particular resource is receivable or the charity's right becomes legally enforceable;
- ii) Certainty – when there is reasonable certainty that the incoming resource will be received;

- iii) Measurement – when the monetary value of the incoming resources can be measured with sufficient reliability.

(b) Gifts in kind

- i) Assets given for distribution by the charity are included in the Statement of Financial Activities only when distributed.

- ii) Assets given for use by the charity (e.g. property for its own occupation) are included in the Statement of Financial Activities as incoming resources when receivable.

- iii) Gifts made in kind but on trust for conversion into cash and subsequent application by the charity are included in the accounting period in which the gift is sold.

In all cases the amount at which gifts in kind are brought into the account is either a reasonable estimate of their value to the charity or the amount actually realised. The basis of the valuation will be disclosed in the annual report if any gifts in kind are received during the year.

(c) Intangible Income including donated services and facilities

Intangible income (e.g. the provision of free accommodation) is included in the accounts with an equivalent amount in outgoing resources, if there is a financial cost borne by another party. The value placed on such income is the financial cost of the third party providing the resources. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised as income or expenditure.

(d) Legacies

Legacies are accounted for as incoming resources once the receipt of the legacy becomes probable. This will be once confirmation has been received from the representatives of the estate that payment of the legacy will be made or property transferred and once all conditions attached to the legacy have been fulfilled.

(e) Interest receivable and dividend income

Interest on funds held on deposit **and dividend income** is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest or dividend paid or payable.

1.3 Expenditure

The funds held on trust accounts are prepared in accordance with the accruals concept. Expenditure is recognised when a liability is incurred and 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. Grant commitments are recognised once there is a legal or constructive obligation to make a payment to a third party.

(a) Cost of generating funds

The cost of generating funds are the costs associated with generating income for the funds held on trust. This will include the costs associated with the Forget-me-Not Appeal and the Foundation for the Prevention of Blindness funds. It will also include Investment management costs which consist of direct fees and a proportion of support costs (see note 5).

(b) Grants payable

Grants payable are payments, made to third parties (including NHS bodies) in the furtherance of the funds held on trust's charitable objectives. They are accounted for on an accruals basis where the conditions for their payment have been met or where a third party has a reasonable expectation that they will receive the grant. This includes grants paid to NHS bodies.

(c) Allocation of Overhead and Support costs

These are accounted for on an accruals basis and have been allocated on an appropriate basis (see note 5) between Charitable Activities and Governance Costs. 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. An estimation of the time allocated by the Senior Financial Accountant to manage the charitable funds section has been made.

(d) Governance Costs

Governance costs comprise all costs incurred in the governance of the charity. These costs include costs related to statutory audit together with an apportionment of overhead and support costs.

(e) Irrecoverable VAT

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

1.4 Structure of funds

Where there is a legal restriction on the purpose to which a fund may be used, the fund is classified in the accounts as a restricted fund. Funds where the capital is held to generate income for charitable purposes and cannot itself be spent are accounted for as endowment funds. Other funds are classified as unrestricted funds. Funds which are not legally restricted but which the Trustee has chosen to earmark for set purposes are designated funds. The major funds held within these categories are disclosed in note 12.

1.5 Tangible Fixed Assets

The charity has no tangible fixed assets

Investment Fixed Assets

Investment fixed assets (excluding cash) are shown at fair value, which is determined by their market value.

- i) Quoted stocks and shares are included in the balance sheet at mid-market price, ex-div.
- ii) Other investment fixed assets are included at Trustee's best estimate market value.

1.7 Realised 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 (or date of purchase if later). Unrealised gains and losses are calculated as the difference between market value at the year-end and opening market value (or date of purchase if later).

1.8 Intangible Fixed Assets

The charity has no intangible fixed assets.

1.9 Stock

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

1.1 Debtors

Trade and other debtors are recognised at cost, being the settlement amount due. Prepayments are valued at the amount prepaid net.

1.11 Cash at bank and in hand

Cash at bank and in hand includes cash held in the Royal Liverpool and Broadgreen University Hospitals NHS Charitable Funds account and the amounts held in the 'income' accounts within the Charity's investment portfolios.

1.12 Creditors and provisions

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

1.13 Change in the Basis of Accounting

There has been no change in the basis of accounting.

Prior Year Adjustments

There has been no change to the accounts of prior years.

1.15 Pooling Scheme

An official pooling scheme is operated for investments covering all funds registered under the umbrella agreement. The scheme was registered with the Charity Commission on 26th March 2002.

1.16 Related Party Transactions

During the year none of the Trust Board or members of the key management staff or parties related to them has undertaken any material transactions with the Liverpool University Hospitals NHS Foundation Trust (formerly Royal Liverpool and Broadgreen University Hospitals Charitable Trust to 30th September 2019).

The charitable trust has made revenue and capital payments to the Liverpool University Hospitals NHS Foundation Trust (formerly Royal Liverpool and Broadgreen University Hospitals NHS Trust to 30th September 2019), whose Trust Board members (whose names are listed below) also represent the Corporate Trustee.

Further details of related part transactions can be found in note 18.

Trust Board Members

S Musson	Chair
M Eastwood	Non Executive Director
T Johnston	Non Executive Director
S Samuels	Non Executive Director
E de Sousa	Non Executive Director
N Willcox	Non Executive Director
M Wearne	Non Executive Director (to August 2021)
I Ismail	Non Executive Director (from September 2021)
Prof L Kenny	Non Executive Director (to June 2021)
Prof T Walley	Non Executive Director (from July 2021)
S Warbuton	Chief Executive Officer (to September 2021)
D Dalton	Interim Chief Executive Officer (from September 2021 to May 2022)
J Sumnar	Chief Executive Officer (from May 2022)
D Brown	Chief Nurse (to October 2021)
E Inglesby-Burke	Interim Chief Nurse (from October 2021 to June 2022)
D Melia	Chief Nurse (from July 2022)
T Cope	Medical Director (to October 2021)
J Brennan	Interim Medical Director (from October 2021 to June 2022)
J Gardner	Executive Medical Director (from July 2022)
R Forster	Deputy Chief Executive Officer & Chief Finance Officer
D Herring	Chief People Officer (to June 2022)
B Weston	Chief Operating Officer

LIVERPOOL UNIVERSITY HOSPITALS NHS CHARITABLE FUND - FINANCIAL STATEMENTS 2021/22
(FORMERLY ROYAL LIVERPOOL & BROADGREEN UNIVERSITY HOSPITALS NHS CHARITABLE FUNDS)

**Donations &
Legacies**

2.1

	Unrestricted 2021-22 Funds £000	Restricted 2021-22 Funds £000	Endowment 2021-22 Funds £000	Total 2021-22 Funds £000	Total 2020-21 Funds £000
Donations	0	569	0	569	1,313
Legacies	0	489	0	489	133
Total	0	1,058	0	1,058	1,446

**Trading
Activities**

2.2

	Unrestricted 2021-22 Funds £000	Restricted 2021-22 Funds £000	Endowment 2021-22 Funds £000	Total 2021-22 Funds £000	Total 2020-21 Funds £000
Fundraising	0	0	0	0	0
Total	0	0	0	0	0

**Investment
Income**

2.3

	Unrestricted 2021-22 Funds £000	Restricted 2021-22 Funds £000	Endowment 2021-22 Funds £000	Total 2021-22 Funds £000	Total 2020-21 Funds £000
Dividends and investment Interest	0	227	0	227	247
Bank Interest	0	2	0	2	0
Total	0	229	0	229	247

**Expenditure on
Raising funds**

3

	Unrestricted 2021-22 Funds £000	Restricted 2021-22 Funds £000	Endowment 2021-22 Funds £000	Total 2021-22 Funds £000	Total 2020-21 Funds £000
Fundraising Costs	0	442	0	442	305
Investment Management	0	59	0	59	52
Total	0	501	0	501	357

**Expenditure on
Charitable
Activities**

4

	Unrestricted 2021-22 Funds £000	Restricted 2021-22 Funds £000	Endowment 2021-22 Funds £000	Total 2021-22 Funds £000	Total 2020-21 Funds £000
Patients Welfare & amenities	0	62	0	62	77
Staff Welfare & amenities	0	276	0	276	733
Research & Education	0	325	0	325	249
Contributions to NHS Capital	0	578	0	578	75
Total	0	1,241	0	1,241	1,134

**Expenditure
Other**

5

	Unrestricted 2021-22 Funds £000	Restricted 2021-22 Funds £000	Endowment 2021-22 Funds £000	Total 2021-22 Funds £000	Total 2020-21 Funds £000
Governance	0	42	0	42	52
Total	0	42	0	42	52

**Allocation and
Apportion to
Governance
Costs**

5.1

	Basis of Allocation	Allocated to Governance £000	Residual for Apportion £000	Total 2021-22 Funds £000	Total 2020-21 Funds £000
Salaries	Time Spent	25	55	80	91
Establishment Costs	Governance	5	0	5	4
Audit Fee	Governance	8	0	8	8
Miscellaneous	Governance	4	1	5	13
Total		42	56	98	116

It should be noted that charity does not employ any staff directly. Rather, the salary costs above are for charity administration staff employed by the Hospital Trust and then the costs are recharged to the Charity

**Apportion of
Support Costs**

5.2

	Direct Costs £000	Support Costs £000	Total costs 2021-22 £000	Total costs 2020-21 £000
Expenditure on raising Funds:				
Fundraising	430	12	442	305
Investment Management	41	18	59	52
Sub - Total	471	30	501	357
Expenditure on Charitable Activities:				
Patients Welfare & amenities	61	1	62	77
Staff Welfare & amenities	270	6	276	733
Research	318	7	325	249
Contributions to NHS Capital	566	12	578	75
Sub - Total	1,215	26	1,241	1,134
Governance	0	42	42	52
Total Expenditure	1,686	98	1,784	1,543

It should be noted that charity does not employ any staff directly. Rather, the salary costs of fundraising staff (included in the cost of fundraising above) are employed by the Hospital Trust and then the costs are recharged to the Charity.

Charity Activities by Type	5.3	Grants to Institutions 2021-22 £000	Grants to Individuals 2021-22 £000	Support Costs 2021-22 £000	Total 2020-21 £000	Total 2020-21 £000
Patients Welfare & amenities		61	0	1	62	77
Staff Welfare & amenities		191	79	6	276	733
Research		318	0	7	325	249
Contributions to NHS Capital		566	0	12	578	75
Total		1,136	79	26	1,241	1,134

Grants awarded to insitutions	5.4		Total 2021-22 £000	Total 2020-21 £000
Liverpool University Hospital NHS FT / Royal Liverpool & Broadgreen University Hospitals NHS Trust			771	794
University of Liverpool			365	44
			1,136	838

Changes in Resources Available for Charity Use	6	Unrestricted 2021-22 Funds £000	Restricted 2021-22 Funds £000	Endowment 2021-22 Funds £000	Total 2020-21 Funds £000	Total 2020-21 Funds £000
Net movement in funds for the year		0	215	(2)	213	1,863
Net movement in tangible fixed assets		0	0	0	0	0
Net movement in funds available		0	0	0	0	0
		0	215	(2)	213	1,863

Tangible Fixed Assets 7 There are no fixed assets of the charity

**Analysis of
Fixed Asset
Investments**

8		2021-22	2020-21
		£000	£000
8.1	Fixed Asset Investments:		
	Market value at 31 March 2021	8,990	7,785
	Less: Disposals at carrying value	(2,119)	(3,737)
	Add: Acquisitions at cost	2,119	3,229
	Net gain on revaluation	710	1,713
	Market value at 31 March 2022	<u>9,700</u>	<u>8,990</u>
	Historic cost at 31 March 2022	<u>8,364</u>	<u>7,898</u>

8.2	Market value at 31 March:	Held in UK £000	Held outside UK £000	2021-22 Total £000	2020-21 Total £000
	Investments listed on the Stock Exchange	8,912		8,912	8,878
	Cash held as part of the investment portfolio	788		788	112
		<u>9,700</u>		<u>9,700</u>	<u>8,990</u>

**Post Balance
events**

9

The corporate trustee of Liverpool University Hospitals NHS Foundation Trust also oversees a second NHS charity, The Aintree University Hospital Charitable Fund (charity registration number 1050542). The Charity Commission has approved an order for the assets and liabilities of the Aintree Charity to be transferred over to the RL&BUHT charity as from 1st April 2022 (The reserves held by the Aintree University Hospital Charitable fund totalled £1,060,000 as at the 31st March 2022.)

LIVERPOOL UNIVERSITY HOSPITALS NHS CHARITABLE FUND - FINANCIAL STATEMENTS 2021/22
 (FORMERLY ROYAL LIVERPOOL & BROADGREEN UNIVERSITY HOSPITALS NHS CHARITABLE FUNDS)

Analysis of Debtors	10	Total as at 31 MARCH 2022	Total as at 31 MARCH 2021
	10.1	£000	£000
	Amounts falling due within one year:		
	Prepayments	0	2
	Accrued income	634	151
	Total debtors falling due within one year	634	153
	10.2		
	Amounts falling due over one year:		
	Total debtors falling due after more than one year	0	0
	Total debtors	634	153

Analysis of Creditors	11	Total as at 31 MARCH 2022	Total as at 31 MARCH 2021
	11.1	£000	£000
	Amounts falling due within one year:		
	Other creditors	266	152
	Accruals	2,163	1,183
	Deferred income	0	0
	Total creditors falling due within one year	2,429	1,335
	11.2		
	Amounts falling due after more than one year:		
	Accruals	393	881
	Total creditors falling after more than one year	393	881
	Total creditors	2,822	2,216

LIVERPOOL UNIVERSITY HOSPITALS NHS CHARITABLE FUND - FINANCIAL STATEMENTS 2021/22
(FORMERLY ROYAL LIVERPOOL & BROADGREEN UNIVERSITY HOSPITALS NHS CHARITABLE FUNDS)

Analysis of Funds

12

12.1 Endowment Funds 31.03.22	Balance 31 March 2021	Incoming Resources	Resources Expended	Transfers	Gains and Losses	Balance 31 March 2022
(list individually)	£000	£000	£000	£000	£000	£000
A M A Davies	19	0	0	0	0	19
B S I V Cooke	15	0	0	0	0	15
C Dr J Bernstein	3	0	0	0	0	3
D Mr N Gibbon	42	0	0	0	(2)	40
Others (1)	0	0	0	0	0	0
Total	79	0	0	0	(2)	77

Details of material funds - Endowment Funds 31.03.22

12.2

Name of fund	Description of the nature and purpose of each fund
A M A Davies	Bed endowment fund for Patients Welfare
B S I V Cooke	Holiday fund for Nurses
C Dr J Bernstein	RLUH Convalescence and recreation fund
D Mr N Gibbon	Annual Urology Scholarship

12.3 Endowment Funds 31.03.21	Balance 31 March 2020	Incoming Resources	Resources Expended	Transfers	Gains and Losses	Balance 31 March 2021
(list individually)	£000	£000	£000	£000	£000	£000
A M A Davies	20	0	0	0	(1)	19
B S I V Cooke	16	0	0	0	(1)	15
C Dr J Bernstein	3	0	0	0	0	3
D Mr N Gibbon	41	0	0	0	1	42
Others (1)	0	0	0	0	0	0
Total	80	0	0	0	(1)	79

Details of material funds - Endowment Funds 31.03.21

12.4

Name of fund	Description of the nature and purpose of each fund
A M A Davies	Bed endowment fund for Patients Welfare
B S I V Cooke	Holiday fund for Nurses
C Dr J Bernstein	RLUH Convalescence and recreation fund
D Mr N Gibbon	Annual Urology Scholarship

LIVERPOOL UNIVERSITY HOSPITALS NHS CHARITABLE FUND - FINANCIAL STATEMENTS 2021/22
(FORMERLY ROYAL LIVERPOOL & BROADGREEN UNIVERSITY HOSPITALS NHS CHARITABLE FUNDS)

Analysis of Funds

12 cont'd

12.5 Restricted Funds 31.03.22		Balance 31 March 2021	Incoming Resources	Resources Expended	Transfers	Gains and Losses	Balance 31 March 2022
		£000	£000	£000	£000	£000	£000
Material funds (list individually)							
A	RLUH General Purpose	808	372	(298)	255	95	1,232
B	L'pool Reg Dialysis Fund	747	149	(18)	0	70	948
C	Endocrinology Fund	865	22	(16)	0	68	939
D	RLUH Patient Welfare Fund	490	15	(21)	0	31	515
E	St Paul's Fnd. Prev of Blindness	205	461	(283)	0	69	452
F	Forget Me Not Fund	475	22	(5)	(147)	45	390
G	RLUH Renal Transplant Fund	328	13	(6)	0	26	361
H	RLUH Cardiac Fund	283	7	(19)	0	22	293
	Others (98)	4,048	226	(1,118)	(108)	286	3,334
	Total	8,249	1,287	(1,784)	0	712	8,464

Details of material funds - Restricted Funds 31.03.22

12.6

	Name of fund	Description of the nature and purpose of each fund
A	RLUH General Purpose	Any charitable purpose relating to Royal Liverpool University Hospital
B	L'pool Reg Dialysis Fund	Any charitable purpose relating to Dialysis services
C	Endocrinology Fund	Any charitable purpose relating to disease of the gland
D	RLUH Patients Welfare Fund	For the relief of RLUH patients suffering from sickness and disease or its effects
E	St Paul's Fnd. Prev of Blindness	For the public benefit Ophthalmic research connected to RLUH St Paul's Eye Unit
F	Forget Me Not Fund	Any charitable purpose relating to cancer services
G	RLUH Renal Transplant Fund	Any charitable purpose relating to Renal Transplant Unit
H	RLUH Cardiac Fund	For the relief of persons suffering from cardiac disease and research into cardiac disease

12.7 Restricted Funds 31.03.21

		Balance 31 March 2020	Incoming Resources	Resources Expended	Transfers	Gains and Losses	Balance 31 March 2021
		£000	£000	£000	£000	£000	£000
Material funds (list individually)							
A	Endocrinology Fund	703	23	(17)	0	156	865
B	RLUH General Purpose	511	286	(241)	0	252	808
C	L'pool Reg Dialysis Fund	662	24	(102)	0	163	747
D	RLBUHT General Purpose	231	1,020	(723)	0	54	582
E	RLUH Patient Welfare Fund	399	35	(3)	0	59	490
F	Forget Me Not Fund	475	24	(124)	0	100	475
G	BGH Haematology Fund	346	13	(8)	0	76	427
H	RLUH Renal Transplant Fund	266	9	(6)	0	59	328
	Others (98)	2,792	259	(319)	0	795	3,527
	Total	6,385	1,693	(1,543)	0	1,714	8,249

Details of material funds - Restricted Funds 31.03.21

12.8

	Name of fund	Description of the nature and purpose of each fund
A	Endocrinology Fund	Any charitable purpose relating to disease of the gland
B	RLUH General Purpose	Any charitable purpose relating to Royal Liverpool University Hospital
C	L'pool Reg Dialysis Fund	Any charitable purpose relating to Dialysis services
D	RLBUHT General Purpose	Any charitable purpose relating to Royal Liverpool & Broadgreen University Hospitals
E	RLUH Patients Welfare Fund	For the relief of RLUH patients suffering from sickness and disease or its effects
F	Forget Me Not Fund	Any charitable purpose relating to cancer services
G	BGH Haematology Fund	Any charitable purposes relating to Haematology Unit
H	RLUH Renal Transplant Fund	Any charitable purpose relating to Renal Transplant Unit

12.9

No material designated funds

Contingencies	13	There were no contingent assets or liabilities for the charity included in the accounts:		
<hr/>				
Commitments, Liabilities and Provisions	14.1	The Charity has no commitments, liabilities or provisions.		
	14.2	The Trustee recognise liabilities in the accounts once they have incurred either a legal or constructive obligation to expend funds.		
<hr/>				
Trustee and Connected Persons Transactions	15			
	15.1	Trustee expenses reimbursed	2021-22	2020-21
			£	£
		Travel and subsistence	0	0
		Entertainment	0	0
		Other (please describe)	0	0
			<hr/>	<hr/>
			0	0
			<hr/>	<hr/>
		Total number of Trust Board Members representing the Trustee	13	13
	15.2	There was no Trustee remuneration		
	15.3	There were no transactions with a Trustee or connected persons in any personal capacity		
	15.4	Trustee Indemnity Insurance		
		Cover provided under Liverpool University Hospitals NHS Foundation Trust's Litigation Authority Non-clinical risk scheme.		
<hr/>				
Loans or Guarantees Secured against assets of the charity	16	None		

LIVERPOOL UNIVERSITY HOSPITALS NHS CHARITABLE FUND - FINANCIAL STATEMENTS 2021/22
(FORMERLY ROYAL LIVERPOOL & BROADGREEN UNIVERSITY HOSPITALS NHS CHARITABLE FUNDS)

Connected Organisations 17

Name, nature of connection, description of activities undertaken and details of any qualifications expressed by their auditors	2021-22		2020-21	
	Turnover of Connected Organisation	Net Profit/ (Loss) for the Connected Organisation	Turnover of Connected Organisation	Net Profit/ Loss for the Connected Organisation
	£	£	£	£
Liverpool University Hospitals NHS FT (formerly Royal Liverpool & Broadgreen University Hospitals NHS Trust)	1,153,353,000	(7,379,000)	1,109,384,000	1,410,000

Related party Transactions 18 **Related party transactions**

During the year none of the Trust Board or members of the key management staff or parties related to them has undertaken any material transactions with the Royal Liverpool and Broadgreen University Hospitals NHS Trust Charitable Funds.

Professor L. Kenny and T. Walley, Non-Executive members of the Trust Board during 2021/22, are also employees of the University of Liverpool. The Charity is involved in numerous transactions with the University of Liverpool, involving staff recharges and other research related costs. The Charity accounted for grant activity relating to the University of Liverpool of £364,639 (2020/21: £44,198). Total outstanding owed to the University of Liverpool at 31st March 2022 stood at £765,009 (2020/21: £615,457), although these figures do contain planned future grant spend of £522,980 (2020/21: £406,668) that hasn't been incurred yet. Professors Kenny and Walley had no part in these transactions.

Independent auditors' report to the trustees of Royal Liverpool and Broadgreen University Hospitals NHS Trust Charitable Funds

Opinion

We have audited the financial statements of Royal Liverpool and Broadgreen University Hospitals NHS Trust Charitable Funds (the 'charity') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2022 and of its incoming resources 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 for opinion

We have been appointed as auditor under section 149 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. 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 UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions related to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the trusts ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Independent auditors' report to the trustees of Royal Liverpool and Broadgreen University Hospitals NHS Trust Charitable Funds (continued)

Other Information

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the Annual Report, other than the financial statements and our Independent Auditors' Report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Under the Charities Act 2011 we are required to report to you if, in our opinion the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements. We have no exceptions to report arising from this responsibility.

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 & Reports) Regulations 2008 requires us to report to you if, in our opinion:

- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustee's Responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Independent auditors' report to the trustees of Royal Liverpool and Broadgreen University Hospitals NHS Trust Charitable Funds (continued)

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 149 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 auditors' 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.

Based on our understanding of the charity and sector, we identified that the principal risks of non-compliance with laws and regulations related to UK tax legislation and regulations which govern the preparation of financial statements, and 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 financial statements such as the Charities Act 2011. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase revenue, through management bias in manipulation of accounting estimates or accounting for significant transactions outside the normal course of operations. Audit procedures performed included:

- Enquiry of management around actual and potential litigation and claims and instances of non-compliance with laws and regulations;
- Auditing the risk of management override of controls, through testing journal entries and other adjustments for appropriateness, testing accounting estimates (because of the risk of management bias), and evaluating the rationale for significant transactions outside the normal course of operations;
- Reviewing financial statement disclosures and agreeing to supporting documentation to assess compliance with applicable laws and regulations; and
- Review of trustee meeting minutes.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditors' report.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. 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.

Independent auditors' report to the trustees of Royal Liverpool and Broadgreen University Hospitals NHS Trust Charitable Funds (continued)

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 154 of the Charities Act 2011 and for no other purpose. 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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Jason Leach FCA (Senior Statutory Auditor)

Bennett Brooks & Co Limited

Chartered Accountants and Statutory Auditors

Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

St George's Court

Winnington Avenue

Northwich

Cheshire

CW8 4EE

10 November 2022

LIVERPOOL UNIVERSITY HOSPITALS NHS CHARITABLE FUND

England & Wales - Charity number 1047988

Accounts



**Royal Liverpool and Broadgreen University
Hospitals NHS Trust Charitable Funds**

Registered Charity Number 1047988

**ANNUAL REPORT
&
FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 MARCH 2021

**Royal Liverpool University Hospital
Prescot Street
Liverpool
L7 8XP**

**ANNUAL REPORT
& FINANCIAL STATEMENTS 2020/2021**

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ROYAL LIVERPOOL AND BROADGREEN UNIVERSITY HOSPITALS NHS TRUST CHARITABLE FUNDS

Registered Charity No 1047988

ANNUAL ACCOUNTS 2020-21

The accounts of the funds held on trust by the Liverpool University Hospitals NHS Foundation Trust (Royal Liverpool and Broadgreen University Hospitals NHS Trust up to 30th September 2019).

FOREWORD

These financial statements have been prepared by the Trustees in accordance with the Charities Act 2011 and the Charities Statement of Recommended Practice (SORP) (FRS 102) 2019.

STATUTORY BACKGROUND

The NHS Trust is the corporate trustee of the funds held on trust under paragraph 16c of Schedule 2 of the NHS and Community Care Act 1990. Royal Liverpool and Broadgreen University Hospitals NHS Trust dissolved on the 30th September 2019, joining with Aintree University Hospital NHS Foundation Trust to become a combined organisation named Liverpool University Hospitals NHS Foundation Trust from 1st October 2019.

MAIN PURPOSE OF THE FUNDS HELD ON TRUST

The main purpose of the charitable funds held on trust is to apply income for any charitable purpose relating to the National Health Service wholly or mainly for the services provided by the Liverpool University Hospitals NHS Foundation Trust (Royal Liverpool & Broadgreen University Hospitals NHS Trust up to 30th September 2019).

ROYAL LIVERPOOL AND BROADGREEN UNIVERSITY HOSPITALS NHS TRUST CHARITABLE FUNDS

STATEMENT OF TRUSTEE'S RESPONSIBILITIES

The Trustee is responsible for preparing the Trustees' Annual report and the financial statements in accordance with applicable laws and regulations

The Charities Act 2011 requires the trustees to prepare financial statements for each financial year. The trustees have to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. The trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period.

In preparing these financial statements, the Corporate Trustee is required to:

- select suitable accounting policies and 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 to operate.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and 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. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Trustee confirms that it has met the responsibilities set out above and complied with the requirements for preparing the accounts. The financial statements set out on pages 25 to 42 attached have been compiled from and are in accordance with the financial records maintained by the Trustee.

The 2020/21 Annual Report & Accounts have been approved by the Board of Directors on 2nd February 2022.

By Order of the Trustee

Signed :

Chair



Dated: 02/02/2022

Financial Trustee



Dated: 02/02/2022

CHARITABLE FUNDS

TRUSTEE REPORT

Introduction

It is with pleasure that the Trust presents the twenty-fifth annual report for the Charitable Funds of the Royal Liverpool and Broadgreen University Hospitals (NHS) Trust.

The Trust is the sole corporate trustee for all charitable funds registered under the name of the Royal Liverpool and Broadgreen University Hospitals NHS Trust Charitable Funds, the **main** charity of the Trust.

The **main** charity, is the charity that has been created with purposes wide enough for all other charities administered by its Trustee to be recorded as **special trusts** in an *umbrella* registration arrangement.

This report and financial statements has been prepared in accordance with the requirements of applicable law and SORP (FRS 102).

Legal and Administrative Details

In June 1995, the Charity Commission issued an Umbrella Charity Registration Number, under which all the individual charitable funds administered by the Trustee have been recorded as special trusts. The umbrella charitable fund is held upon trust for “any charitable purpose or purposes relating to the National Health Service”. Special trusts are funds (or property) held on separate trusts, on behalf of the charity, for any special purposes of that charity. These funds are referred to as restricted funds where the donor has imposed a restriction on how or where or when the Trustee can apply the funds. A schedule of the special trusts is appended (Appendix A).

The Liverpool University Hospitals NHS Foundation Trust is the Corporate Trustee (formerly Royal Liverpool & Broadgreen University Hospitals NHS until 30th September 2019) of the Charitable Funds governed by the law applicable to Trusts, principally the Trustee Act 2000 and also the Charities Act 2011, the SORP (FRS 102) and the Trust Deed.

The **registered charity number** of the Royal Liverpool and Broadgreen University Hospitals NHS Trust Charitable Funds is **1047988**. The Registered address is:

Royal Liverpool & Broadgreen University Hospital
Prescot Street
Liverpool L7 8XP

The charity is administered by the **Charitable Funds Committee**, which consists of executive and non-executive directors of the Trust, on behalf of the Trust Board. The committee meets quarterly to set and monitor administrative policy and consider spending applications. Membership of the Charitable Funds committee is decided by the Trust Board

as vacancies arise. Executive members of the Trust Board are subject to recruitment by the Board whereas Non-Executive members are appointed by NHS Improvement. Members of the Trust Board and the Charitable Funds Committee are not individual trustees under Charity Law but act as agents on behalf of the Corporate Trustee. New Charitable Funds Committee members are provided with induction literature that includes the committee's terms of reference; Trustee's Annual report and Accounts; previous committee minutes and the Charity Commission booklet CC3, *the Essential Trustee*. The "charitable funds section" within the Trust's finance department, is responsible to the committee for the day-to-day administration of all charitable matters.

During 2020/21 the Charitable Funds Committee comprised of:

Ms Mandy Wearne	Non-Executive Director (Committee Chair)
Mr Robert Forster	Deputy Chief Executive & Chief Finance Officer
Ms Dianne Browne	Chief Nurse
Mr Tristan Cope	Medical Director

The Trust's charitable funds are held distinct from the exchequer funds of the Liverpool University Hospitals NHS Foundation Trust (Royal Liverpool & Broadgreen University Hospitals NHS Trust until 30th September 2019). The charity's bank accounts are held at:

Natwest	and	Barclays Bank plc
2 nd Floor		48B/50 Lord Street
280 Bishopsgate		Liverpool L2 1TD
London EC2M 4RB		

The charitable funds investments are held by Bankers Trust, as nominee for the Trustee. The investments are managed on behalf of the charity by the following three investment managers:

Rathbone Investment Management Ltd Port of Liverpool Building Pier Head Liverpool L3 1NW	Olim Limited * Pollen House 10/12 Cork Street London W1S 3NP	UBS AG 5 Broadgate London EC2M 2AN
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* Olim Limited decided to cease operating in January 2021, half the portfolio holdings were sold to release cash and the remaining holdings transferred over to Rathbone Investment Management.

Legal advice is provided to the Trustee by:

Hill Dickinson Solicitors
Pearl Assurance House
Derby Square
Liverpool L2 9XL

The Trustee responsibilities, which include; the maintenance of financial records appropriate to the activities of the funds; the establishment and monitoring of a system of internal control; safeguarding the assets of the funds held on trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities; are subject to “internal audit” verification by;

Mersey Internal Audit Agency
Regatta Place
Brunswick Business Park
Summers Road
Liverpool L3 4BL

The appointed auditors are;

Jason Leach, Senior/Statutory Auditor
Bennett Brooks & Co Limited
St George’s Court
Winnington Avenue
Northwich CW8 4EE

Objectives

The Charity's umbrella fund has NHS wide objectives 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.

Within this overall governing framework provided by the umbrella, the charity has 111 separately registered charitable funds with their own specific objectives, restricting the NHS criteria above to particular areas of activity and/or particular services, departments and Hospitals that are, primarily, under the management of the organisation (The latter rule provides some flexibility to allow individual charities to support activities outside the control of the Trust). In addition, there is also a separately registered Common Investment fund.

The operation of such a large number of individual funds within a complex NHS organisation could potentially lead to divergent policies. However, the Charitable Funds Committee operates as a unifying force, working closely with delegated fundholders and senior managers to ensure that all funds are utilised for the benefit of the organisation as a whole and as part of the overall strategic direction of the Trust.

The main aim of the charity is to improve the provision of high quality patient care, working with the Trust to develop services throughout the organisation, focusing on areas not covered or fully supported by exchequer funds. This will include the improvement of the Hospital environment for both patients and staff and supporting better facilities for the Trust. As a large acute teaching hospital, the Trust also has significant links with the local universities, particularly the University of Liverpool. Another important aim of the charity is therefore to provide financial aid to support and encourage our clinicians in new research projects, many of which are co-ordinated through the University of Liverpool. However, in the short to medium term, the Charity is very much focused on supporting the Hospital Trust in delivering the highest possible standards of treatment and care to our patients when the new Royal Hospital opens.

Annual Report and Accounts

Incoming resources to the Trust's charitable funds totalled £1,693,000 for the year ended 31 March 2021, a fall of £1,041,000 on the previous twelve months total of £2,734,000. The drop in income from last year was due to donations decreasing by £584,000 to £1,313,000 (in 2019/20 the charity received a one-off donation from the Marina Dalglish Trust of £1.25m towards a Da Vinci robot), and legacies falling by £410,000 (from £543,000 in 2019/20 to £133,000 in 2020/21) and investment income falling by £43,000 (from £290,000 in 2019/20 to £247,000 in 2020/21).

Included within these figure are :-

- a) Corporate donations of £978,000 of which £977,000 was received through direct fundraising (including £926,000 to our Covid Appeals, £52,000 to the New Royal Hospital Appeal). The largest corporate donations received included:
 - i) £523,000 from the NHS Charities Together for our Covid appeals, including a specific grant of £297,000 to improve psychology services for staff.
 - ii) £250,000 from Barclays for our Covid appeals
 - iii) £100,000 from Deliveroo for our Covid appeals
- b) Donations from individuals of £468,000, including £412,000 through fundraising (£86,000 for the Covid Appeals; £67,000 for the Foundation for the Prevention of Blindness fund; £6,000 for the FMN Cancer Appeal fund; £164,000 for the New Royal Hospital Appeal)

The trust's donated income policy, which prescribes how donations should be collected and recorded, is shown in Appendix B.

Legacies from two bequests were received totalling £96,000. A further four legacies totalling £37,000 were also notified and accounted for in the year ended 31st March 2021. The largest single bequests being:

- i) £86,000 was received from the estate of Mr Brian Shirley (deceased).
- ii) £17,000 from the estate of Ruth Hoyle (deceased).
- iii) £10,000 was received from the estate of Margaret Holt (deceased).

The total legacies accounted for during 2020/21 amounted to £133,000.

Investment income totalling £246,700 was earned during the year, a fall of £42,900 on the previous year's figure of £289,600. Dividends from equity stocks and gilts provided £246,700, and nothing was earned from interest on cash balances held.

Fundraising

We raise money for the many charitable funds across the Trust. Although in 2020/21 our main focus has been on our Covid appeals following the outbreak of the pandemic in the UK from March 2020.

The Charity makes use of fundraisers employed by the Royal Liverpool and Broadgreen University Hospitals NHS Trust, and subject to control and supervision by the Hospital Trust. There were no complaints received about the fundraising activity undertaken during 2020/21.

As always we are extremely grateful to the individuals and groups who fundraise for R Charity, and help to support.

As well as focusing on the new Covid Appeal, the charity also continues to support fundraising for the Foundation for the Prevention of Blindness Fund research charity. In 2020/21 over £77,000 was raised for the Foundation, including £10,000 of legacies.

Fundraising for the charity as a whole (excluding legacies and investment returns) raised £1,257,000, a rise of £720,000 on the previous twelve months figure of £537,000. The costs of operating the fundraising teams totalled £291,000, including staff costs of £261,000. In comparison, fundraising costs totalled £333,000 in 2019/20, including staff costs of £260,000. Net fundraising for the year was £966,000, a rise of £762,000 on the £204,000 achieved in 2019/20.

Expenditure

Direct charitable expenditure for the year was £1,097,000, a fall of £2,048,000 on 2019/20 spend of £3,145,000. The large drop in expenditure can be partly explained by the £1.6m capital purchase during the 2019/20 financial year of a Da Vinci robot, that resulted in an abnormally high spend for that particular year. Expenditure accounted for in 2020/21 included contributions to Staff Welfare and Amenities of £709,000; Research and Education grants totalling £241,000; Patient Welfare & Amenities totalling £74,000 and grants of £73,000 were provided for NHS Capital projects.

Support costs attributable to the grants of £37,000 brought the total grants figure to £1,134,000. A further £357,000 (including £27,000 support costs) was incurred in the costs of generating funds for the charity, comprising £304,000 spent on generating voluntary income; £52,000 on investment management costs and £1,000 in fundraising trading activities.

Major grants awarded during 2020/21 included:-

- a) £297,000 from the Covid Appeal fund to support a two year staff psychology service extension via a direct grant from NHS Charities Together.

- b) £186,000 from the Covid Appeal fund to purchase staff hoodies for all employees.
- c) £121,200 from the FMN Cancer Appeal fund to support a Breast Cancer research study exploring protein CPT-1 pathways.

The expenditure invested by the charity in supporting the services provided by the Hospital Trust has had a positive impact on the quality of care that the Trust is able to provide to its patients and stakeholders not only currently, but also in the future, meeting the overriding aims of the charity.

Governance costs, the central running costs of the charity that are not apportioned out as support costs, totalled £52,400. This included salary costs of £27,700; Audit fees of £7,800 and establishment/other expenses of £16,900. This was an overall rise of £6,200 on last year's governance costs of £46,200, primarily due to the cost of an external governance review undertaken towards the end of 2020/21.

The overall charity spend in 2020/21 was consequently £1,543,000 in total (£3,636,000 in 2019/20).

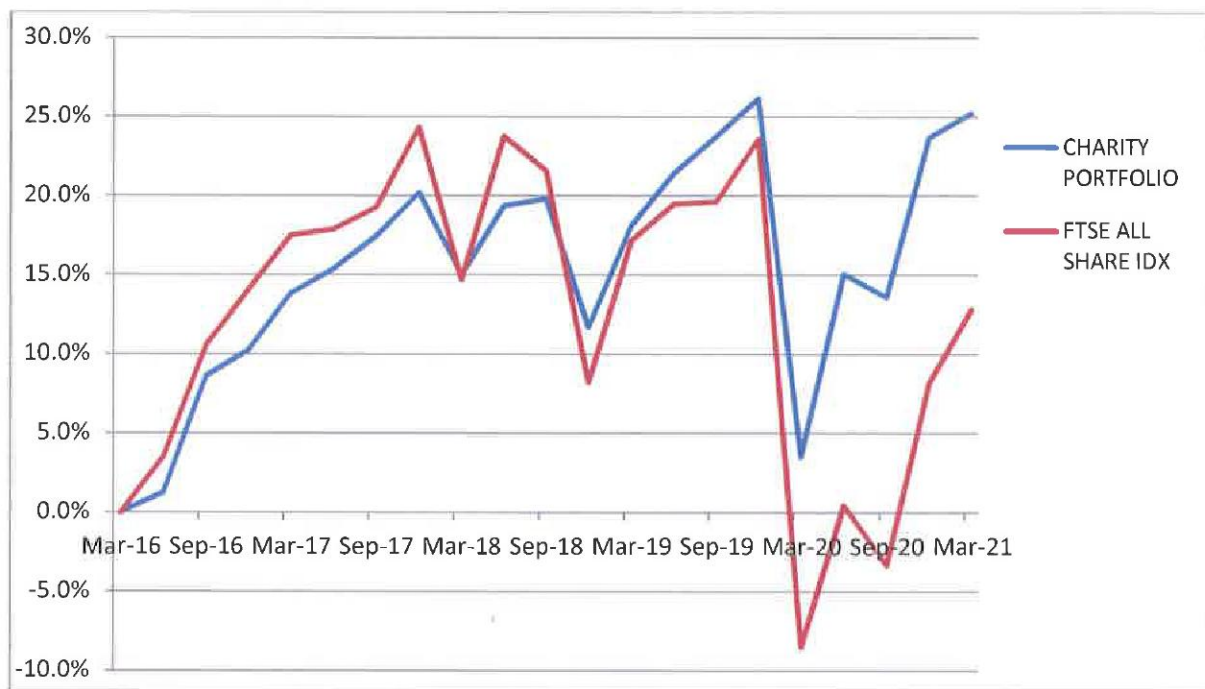
Gains/(losses) on Investment Assets

At the start of the 2020/21 financial year (1st April 2020), the market value of the investment portfolio stood at £7,785,000. Investment holdings totalling £3,229,000 were acquired during the year while investment holdings with a carrying value of £3,737,000 were disposed of during the year. The portfolio saw a significant rise in valuation during 2020/21, with an overall investment increase of £1,713,000 in the financial year following a fall of £1,151,000 in the previous year as a result of the global impact of the covid-19 pandemic. This rise during 2020/21 equates to a +22% increase in the value of the portfolio, this is a good performance when compared to the markets – for comparison, the FTSE All-SHARE rose 23.3% over the same 12 month period and the FTSE-100 rose +18.36%. The financial year ended with a closing balance as at 31st March 2021 of £8,990,000 for the portfolio.

Realised profits/(losses) on sales; unrealised market revaluations and earned income on investments were apportioned to individual funds on a quarterly basis throughout the year.

Below is a graphical representation highlighting the rise and fall of the portfolio over the last five years against the FTSE-All Share index, from the end of 2015/16 (31st March 2016) to the end of 2021/22 (31st March 2021):

Table 1: Five year Investment performance of Charity portfolio vs FTSE-All Share index



The portfolio has increased by 25.2% since 31st March 2016, with a strong rebound in 2020/21 following the collapse in world markets in late 2019/20, as a result of the covid-19 pandemic. This growth also equates to a significant over performance against the FTSE-All Share index, which has risen just 12.8% over the same five year period.

The investment portfolio also generated dividend returns of £246,700 in 2020/21 (£280,700 in 2019/20). Again, this drop can be linked to the economic impact of the covid-19 pandemic.

The investment guidelines operated by the Charitable Funds Investment Committee are shown in Appendix C.

Individual fund investment as part of the Investment Pool is reassessed each quarter end. The aim is to maximise the potential for investment returns taking into account the short-term spending patterns of each fund. The Charitable Funds Investment Committee measure the performance of the investment managers on a total return basis against certain benchmarks, including one comprising the UK FTSE-ALL SHARE (80%) and FTSE UK GILTS (20%).

Balance Sheet

The total net assets of the Trust's Charitable Funds as at 31st March 2021 were £8,328,000, an increase of £1,863,000 on the previous year's balance of £6,465,000. Overall resources expended through charitable grants and administration were £150,000 less than income received, together with the rise in investments of £1,713,000, contributed to the overall surplus in 2020/21.

The charity's total net assets comprised:-

- a) total fixed assets of £8,990,000 solely representing the value of the investment portfolio as at 31st March 2021.
- b) total current assets of £1,554,000; including:
 - i) stocks of £5,000 in respect of fundraising activities, which have been valued at cost;
 - ii) debtors of £153,000, including £87,000 for notified legacies, not yet received.
 - iii) cash balances of £1,396,000 being held to provide cash reserves to each of our registered charities to meet commitments as they arise.
- c) creditors falling due within one year of £1,335,000;
- d) creditors falling due after more than one year of £881,000 (including £430,000 for new Ophthalmic equipment for the new Hospital development which is not anticipated to be spent during 2021/22).

Risk Management

The Trustee has drawn up a Risk Management Policy for the Trust as a whole and the Charitable Funds Committee have adopted this policy. The policy details the process to be used in identifying risk and controls, assessing risks and evaluating the actions required.

The major risks to which the charity is exposed have been identified and considered. They have been reviewed and systems established to mitigate those risks.

The most significant risk identified was possible losses from a fall in the value of the investments and the level of reserves available to mitigate the impact of such losses. This has been carefully considered and there are procedures in place to review the investment policy and ensure that both spending and firm financial commitments remain in line with income. The Investment Pool guidelines adopted by the Charitable Funds Committee are shown in Appendix D.

Reserves

Fund balances as at 31st March 2021 total £8,328,000; of which £79,000 is held as capital in perpetuity and as such cannot be freely expended.

There is a further £158,000 of funds held in the form of current assets (stocks £5,000 and debtors £153,000) and as such these resources are not immediately available for expenditure.

This leaves a balance of resources of £8,091,000. These resources are currently available to be applied in the furtherance of their charitable objectives. Based upon recent levels of income (the last three years), this represents over 4 years of funds, which is over the 3-year

parameter target set out in the Charity's reserves policy which is shown in Appendix E. The Trustee accept that fund balances are too high, but it should be noted that reserves at the end of 2014-15 represented 8 years of funds, so progress has been made recently.

Grant Making Policy

Bids for charitable grants are considered on their individual merits. All grant requests relating to restricted funds under direct control of the Charitable Funds Committee (General purpose funds), require the completion and submission of a charitable funds application.

Grant requests relating to restricted funds with delegated fundholders (Special funds only) will require the completion and submission of a charitable funds application if the grant requested is over £5,000. All such applications have to then be approved by the committee. A delegated fund-holder is able to authorise bids against their special purpose fund without the need for an application if the grant requested is under £5,000. When considering special purpose fund bids, the committee will determine whether the bid meets all the criteria of the objects of the fund and also supports the development of the particular directorate/department concerned. With regards to general purpose bids, the committee has agreed guidelines to follow. The guidelines are shown in Appendix F.

Public Benefit

The Trustee ensure that all grants and spending plans contain identifiable public benefits, which are clear, understandable and meet the objects of the particular charity concerned (under the Royal Liverpool & Broadgreen University Hospital NHS Trust Charitable funds umbrella).

Section 17 of the Charities Act 2011 explains the duty of Trustee to have due regard to the public benefit in the management and decision making of the Charity. The Trustee has ensured that the public benefit requirement is strongly embedded within the procedures and controls the Charity has in place, through all stages of the grant approval process and also the monitoring of grant expenditure after approval has been given (all grant expenditure is verified before payment that the spend relates to activity set out and approved in the grant application).

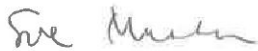
Future Plans

As has continually been the case year after year, a major proportion of Charitable funds expended will be allocated to provide significant support, throughout the Trust, for high quality research work amongst our clinicians. The charity will continue to support patient amenity and staff welfare, and also look to assist in the development of new initiatives and also assist in supporting equipment purchases for the new Royal Hospital when it opens in 2022.

Conclusion

2020/21 has been another strong year for the charity, with the charity being able to commit further significant resources to support the Hospital Trust in improving the patient experience through investment in research, equipment, staff training & wellbeing and service developments, despite all the challenges faced by the covid-19 pandemic.

It must be recognised that none of our achievements would be possible without the hard work and generous support of volunteers; individual, corporate and trust donors, and sponsors and patrons alike. A very warm and heartfelt thanks goes out to all, for their dedication and continued support of the Trust's charities.



Sue Musson
Chair

2nd February 2022

Royal Liverpool & Broadgreen University Hospitals (NHS) Trust
CHARITABLE FUNDS

SCHEDULE OF CHARITABLE FUNDS

Main Charity

Royal Liverpool and Broadgreen University Hospitals NHS Trust Charitable Funds.

Special Trusts

1. Royal Liverpool and Broadgreen University Hospitals NHS Trust General Purpose Funds.
2. Broadgreen Hospital General Purpose Fund.
3. Liverpool Dental Hospital General Purpose Fund.
4. Royal Liverpool University Hospital Ophthalmology Unit General Purpose Fund.
5. Royal Liverpool University Hospital General Purpose Fund.
6. Broadgreen Hospital Staff Welfare Fund.
7. Liverpool University Dental Hospital Staff Welfare Fund.
8. Royal Liverpool University Hospital St Paul's Eye Unit Staff Welfare Fund.
9. Royal Liverpool University Hospital Staff Welfare Fund.
10. Broadgreen Hospital Patients Welfare Fund.
11. Liverpool University Dental Hospital Patients Welfare Fund.
12. Royal Liverpool University Hospital St Paul's Eye Unit Patients Welfare Fund.
13. Royal Liverpool University Hospital Patients Welfare Fund.
14. Broadgreen Hospital Anaesthetics Directorate Fund.
15. Broadgreen Hospital Activities and Rehabilitation Unit Fund.
16. Royal Liverpool University Hospital Virology Fund.
17. Royal Liverpool University Hospital Urology Fund.
18. Royal Liverpool University Hospital St Paul's Eye Unit Sight Saver Fund.
19. Royal Liverpool University Hospital Rheumatology Fund.
20. Royal Liverpool University Hospital Ophthalmology Unit Junior Doctor Education Fund.
21. Royal Liverpool University Hospital Respiratory Research Fund.
22. Royal Liverpool University Hospital St Paul's Eye Unit Research into Disease of the Eye Fund.
23. Royal Liverpool University Hospital Renal Transplant Fund.
24. Royal Liverpool University Hospital Renal Units Amenity Fund.
25. Royal Liverpool University Hospital Radiopharmacy Fund.
26. Royal Liverpool University Hospital Radiology Fund.
27. Royal Liverpool University Hospital Parenteral and Enteral Nutrition Fund.
28. Royal Liverpool University Hospital Pain Research Fund.
29. Royal Liverpool University Hospital St Paul's Eye Unit Pace Diabetic Fund.
30. Royal Liverpool University Hospital St Paul's Eye Unit Optic Nerve Research Fund.
31. Royal Liverpool University Hospital Nutrition Research Fund.
32. Royal Liverpool University Hospital Nursing Professional Development Fund.
33. Royal Liverpool University Hospital St Paul's Eye Unit Nurse Training Fund.
34. Royal Liverpool University Hospital Nuclear Medicine Fund.
35. Royal Liverpool University Hospital Movement Disorders in the Elderly Fund.
36. Royal Liverpool University Hospital Department of Psychiatry Fund.
37. Bequest by Dr Jack Bernstein.
38. Royal Liverpool University Hospital Continuing Care Fund.
39. Royal Liverpool University Hospital Colorectal Cancer Fund.
40. Sir John Joseph Shute Charity.

41. Royal Liverpool University Hospital Chemical Pathology Fund.
42. Royal Liverpool University Hospital Chapel Fund.
43. Royal Liverpool University Hospital Cardiac Fund.
44. Royal Liverpool University Hospital Cancer Research Fund.
45. Royal Liverpool University Hospital Breast Cancer Fund.
46. Royal Liverpool University Hospital Bacteriology Fund.
47. Broadgreen Hospital Training Unit Fund.
48. Liverpool University Dental Hospital Dental Surgery Assistants School Fund.
49. Liverpool University Dental Hospital Smile Fund.
50. Broadgreen Hospital Surgical Directorate Fund.
51. Broadgreen Hospital Radiology Fund.
52. Broadgreen Hospital Postgraduate Medical Centre Fund.
53. Broadgreen Hospital Physiotherapy Education Fund.
54. Broadgreen Hospital Pharmacy Fund.
55. Broadgreen Hospital Pain Relief Fund.
56. Broadgreen Hospital Nurses Recreation Fund.
57. Broadgreen Hospital Minimal Invasive Therapy Fund.
58. Broadgreen Hospital Medicine for the Elderly Fund.
59. Broadgreen Hospital Medical Unit Fund.
60. Broadgreen Hospital Hypertension Fund.
61. Broadgreen Hospital Haematology Fund.
62. Broadgreen Hospital Gastroenterology Fund.
63. Broadgreen Hospital Manx Patient Fund.
64. Broadgreen Hospital Broadgreen Dieticians Fund.
65. Broadgreen Hospital Diabetic Clinical Research Fund.
66. Broadgreen Hospital Continuing Care Fund.
67. Broadgreen Hospital Chapel Fund.
68. Broadgreen Hospital Cancer Research Fund.
69. Broadgreen Hospital Biochemistry Fund.
70. Royal Liverpool University Hospital Self-Dialysis Unit Fund.
71. Royal Liverpool University Hospital Minimal Invasive Therapy Fund.
72. Royal Liverpool University Hospital Microbiology Fund.
73. Royal Liverpool University Hospital Metabolic Unit Fund.
74. Liverpool Regional Dialysis Unit Fund.
75. Royal Liverpool University Hospital Leukaemia Fund.
76. Royal Liverpool University Hospital Intensive Therapy Unit Fund.
77. John Henry Hampson Deceased.
78. Royal Liverpool University Hospital St Paul's Eye Unit Glaucoma Research Fund.
79. Royal Liverpool University Hospital Genito-urinary Fund.
80. Royal Liverpool University Hospital Genital Medicine Fund.
81. Royal Liverpool University Hospital Gastroenterology Fund.
82. Royal Liverpool University Hospital Foundation for Genito-urinary Cancer.
83. Royal Liverpool University Hospital Eye Tumour Research Fund.
84. Royal Liverpool University Hospital Ear Nose and Throat Department Fund.
85. Royal Liverpool University Hospital Endocrinology Fund.
86. Royal Liverpool University Hospital Dialysis Patients Welfare Fund.
87. Royal Liverpool University Hospital St Paul's Eye Unit Diabetic Eye Research Fund.
88. Royal Liverpool University Hospital Diabetic Fund.
89. Royal Liverpool University Hospital Diabetes and Metabolism Fund.
90. Royal Liverpool University Hospital Dermatology Fund.
91. Royal Liverpool University Hospital Department of Surgery Fund.
92. Royal Liverpool University Hospital Arthritis and Rheumatism Fund.
93. Royal Liverpool University Hospital St Paul's Eye Unit Anterior Segment Fund.
94. Royal Liverpool University Hospital Andria Butler Fund.
95. Royal Liverpool University Hospital Anaesthetic Fund.

96. Royal Liverpool University Hospital Anaesthetic and Intensive Care Research and Education Fund.
97. Royal Liverpool University Hospital Accident and Emergency Fund.
98. Royal Liverpool and Broadgreen University Hospitals NHS Trust Clinical Engineering Fund.
99. Royal Liverpool and Broadgreen University Hospitals Postgraduate Education Fund.
100. Royal Liverpool and Broadgreen University Hospitals Histopathology Fund.
101. Royal Liverpool and Broadgreen University Hospitals NHS Trust Advance Trauma Life Support Fund.
102. Royal Liverpool University Hospital Audiology Fund.
103. Royal Liverpool University Hospital Stoma Nurse Training Fund.
104. Broadgreen Hospital Cardiac Rehabilitation Fund.
105. Liverpool University Dental Hospital School of Dental Hygiene Fund.
106. Royal Liverpool and Broadgreen University Hospitals NHS Trust Prize Fund.
107. Royal Liverpool and Broadgreen University Hospitals Elderly Fund
108. Royal Liverpool University Hospital Forget Me Not Cancer Appeal.
109. Royal Liverpool & Broadgreen University Hospital Trust Common Investment Fund.
110. Royal Liverpool University Hospital Foundation for the Prevention of Blindness Fund.
111. Royal Liverpool & Broadgreen University Hospital Infectious Disease Unit
112. Royal Liverpool & Broadgreen University Hospital Norman Gibbon Urology Travel Scholarship Fund.

DONATED INCOME POLICY - GUIDELINES TO STAFF

In recognition of the first rate care given by our medics, nurses and other front line staff, patients and their family and friends often wish to make a financial donation to the Hospital to help improve facilities and services. The following guidelines are intended to assist staff in advising potential donors on how to go about making a donation to the Hospital's charitable funds:

1. Due to there being no mechanism in place to receipt income at ward/ departmental levels, it is not safe for staff to receive cash/cheques in person on the wards.
2. If staff are unsure how to advise potential donors how hospital donations can be made, please refer to the Fundraising Dept for further assistance and advice (tel. x3153).
3. Any potential donors should be advised that there are two possible options in making a donation whilst on hospital premises: -

i) During Office Hours:

All donations at the Royal Liverpool University Hospital (RLUH) site should be made/brought to the Fundraising Office located in the Main Reception area of the Hospital wherever possible. Only when the Fundraising Office is unmanned should the alternative option of donations being taken to the RLUH General Office be used.

For the Broadgreen Hospital site, the General Office located in the Surgical Corridor should continue to be used to make donations during Office hours.

ii) Out of Hours only:

Using an official donation envelope, obtainable from the ward and other locations throughout the Trust, and completing the details on the envelope and depositing the envelope in one of the Trust's donation boxes located throughout the Trust.

4. Alternatively, donors can make postal donations. Staff should advise all potential donors wishing to send in a donation to address the envelope directly to the Fundraising Department at the Royal Liverpool University Hospital.
5. Staff should also advise potential donors that cheques should be made payable to Royal Liverpool and Broadgreen University Hospitals Trust Funds or to the abbreviation RL&BUH Trust Funds. The particular charitable fund name can also be shown after the Trust name if preferred - e.g. RL&BUH Trust Funds (Leukaemia Fund).
6. Once the initial stocks of envelopes have been used, wards/departments can obtain new stocks of the official donation envelopes from either the RLUH or Broadgreen Hospital General Office.
7. Any other staff enquiries with regard to the Trust's charitable funds can be made to the Charitable Funds Section, 2nd Floor, Derwent House, RLUH (extension 2833 or 2885).
8. With these safeguards in place for dealing with cash, this policy protects members of staff from undue risk in handling and taking responsibility for donations. Staff are required to strictly adhere to the guidelines.

RL&BUHT CHARITABLE INVESTMENT GUIDELINES

INVESTMENT OBJECTIVES

At the outset, to maximise total return through a diversified portfolio of equity, fixed interest and cash investments, in compliance with the Trust's investment powers as interpreted by the Trustee and in accordance with the strategy agreed with the Trustee from time to time. In due course, the Trustee may amend the objectives and strategy.

INVESTMENTS

Limits or restrictions on powers and discretions that apply to the Portfolio and in relation to transactions for the Portfolio ('NONE' stated if that applies) and the circumstances (if any) in which the limits may be exceeded:

- a) Types of investment (equities, bonds etc):

Restrictions

As defined by the Trust's investment powers. No investments to be made in companies which derive most of their earnings from tobacco.

- b) Markets or Areas:

None subject to the Trust's investment powers.

- c) Currencies:

None.

- d) Size of individual investment and proportion of the Portfolio:

10% except for Government securities or pooled vehicles.

- e) Size of investment category and proportion of the Portfolio:

Base Guidelines as follows-

A minimum level for fixed interest/cash investments within the portfolio of £300,000.

A maximum of 25% of the portfolio is allowed for Overseas Equities.

Structured products up to a maximum of £100,000 of the portfolio.

- f) Units in Collective Investment Schemes including schemes operated by us or Associates:

None

- g) Units in Collective Investment Schemes which are not regulated Collective Investment Schemes including Schemes operated by us or Associates:

Not authorised.

- h) Securities where their issue was underwritten, managed or arranged by us or Associates in the preceding 12 months:

REQUIRE PRIOR PERMISSION

- i) Sub-underwriting issues of securities whether or not underwritten, managed or arranged by us or Associates:

None

- j) Commitments necessitating you to supplement the funds in the portfolio either by borrowing on your behalf or committing you to a contract the performance of which requires you to supplement the funds:

You are only authorised to incur short term overdrafts in the routine investment process.

- k) Investments not readily realisable:

REQUIRE PRIOR PERMISSION

- l) (i) Futures, options and contracts for differences, including Contingent Liability Transactions, used for hedging against currency risks, whether or not traded on and under the rules of a recognised or designated investment exchange.

Not authorised.

- l) (ii) Futures, options and contracts for differences, including Contingent Liability Transactions other than those used for hedging against currency risks, only traded on and under the rules of a recognised or designated investment exchange.

Not authorised.

- m) Warrants, including warrants not traded on an exchange.

None

- n) Securities which have been subject to Stabilisation:

REQUIRE PRIOR PERMISSION

- o) Other:

(Risk Warnings in respect of (k) to (n) above are included at the end of the Agreement and must be signed).

STOCK BORROWING/LENDING

Any such activity must be authorised specifically (and detailed terms set out) in these investment guidelines:

Not authorised.

TAX PROFILE:

Fully exempt from UK Taxation.

MEASURE OF PERFORMANCE FOR PERIODIC STATEMENTS:

The benchmarks for performance measurement will be composed as follows:

- a) 80% FTSE All-Share Index and 20% FTSE UK Gilts over 15 Years Index (total return in each case)
- b) WM Charity Universe Return.

RL&BUHT Charitable Funds

Invested Pool Guidelines for Restricted Funds

1. A threshold limit of 80% is proposed for each special purpose fund. If, when compared against the funds total balance, the proportion of the outstanding commitments remain under this threshold, the current policy of investing as much as possible over the short-term is continued. The 20% buffer of uncommitted balances should ensure that a significant fall in investments would still allow the fund to meet its future obligations.
2. A funds committed balance can move above the threshold of 80% through the following:-
 - a) An application is approved which increases committed expenditure and takes the proportion of commitments over the 80% threshold.
 - b) A fall in the investment pool reduces the total value of the fund and the proportion of committed expenditure, although the amount remains constant consequently rises over the 80% threshold.

In either case, once the threshold is passed, a transfer of funds from out of the invested pool must takes place at the next quarter end to realise sufficient cash reserves to cover the outstanding commitment in its entirety.

3. Alternatively, an increase in invested funds could result in a funds committed balance falling below the threshold and allow for a proportion of the fund to be invested.

RL&BUHT CHARITABLE FUNDS - RESERVES POLICY

It is the Trustees' determination to demonstrate prudent stewardship of the charity and to ensure that the level of reserves is appropriate to the charity's circumstances.

In producing this statement, the Trustees have taken into consideration the Charity Commission guidance "Charities Reserves" (CC19).

1. Trustees are under a legal duty to apply charity funds within a reasonable time of receiving them. Reserves held without positive justification could give rise to a breach of this trust.
2. The Trustees of the charity are permitted to establish and maintain reserves where this is in the best interest of the charity.
3. The Trustees may establish and maintain reserves:
 - a) to meet current and anticipated expenses properly payable out of income,
 - b) for clearly defined major projects,
 - c) to avoid fluctuations in the amount of income distributed, and
 - d) to secure the charity's viability beyond the immediate future.
4. The Trustees would normally expect to spend at the same level as income is received taking one year with another.
5. Unrealised gains on investments will be included in the income in (4) above; however caution will be exercised over the application of the monies until such time as the gains are realised.
6. The charity will not undertake any major fundraising appeals unless a specific need/cause is clearly identified and approved by the Trustees.
7. Where it is anticipated that reserves which are freely available to be applied, will rise above a level equivalent to 36 months planned expenditure, action will be taken to expend, in accordance with charity objectives down to a level below this threshold.
8. Reserves will not be allowed to fall below a level equivalent to 12 months expected expenditure.
9. The charity Annual Report will include a brief statement on the current level of reserves and why they are held.
10. Reserves will be systematically monitored in light of forecast levels of future income, expenditure and assessment of future needs.
11. The Trustees will formally review this policy statement at least every 2 years.

RL&BUHT Charitable Funds

General Purpose Guidelines

1. An important consideration for the committee is to assess whether or not sufficient consideration has been given to identify other sources of financing. Requests for general purpose funding should not be made lightly, it is expected by the committee that each applicant make an effort to secure funding from other sources before applying to general purpose funds and written evidence to support this should be provided with the application itself. These other sources may include special purpose charitable funds.

The committee will therefore not normally consider any general purpose fund bids from directorates or departments that have adequate special purpose funds at their disposal.

2. General Purpose funds cannot normally be used as a substitute for routine revenue expenditure.
3. Consideration will be given to the purchase of medical equipment. However, the committee's priority will be to provide funding of equipment that develops clinical services and/or improves the treatment and care of patients rather than merely the replacement of existing equipment.
4. Capital schemes for the improvement of patient areas and the general environment of the Trusts hospitals will be considered by the committee.
5. General purpose funding to "kick-start" service developments involving staff appointments will only be considered by the committee after a full evaluation by the executive group. The evaluation must result in a commitment from the Trust to provide recurrent funding, if the trial is successful, after the charitable funding period. The trial period to evaluate the scheme should be kept to a minimum and can last no longer than twelve months.
6. The advancement of education is a charitable purpose and includes funds for medical research and the development of such. If medical research is being financed by charitable funds then the useful results of the research must be published in such a way that the public will benefit from the advancement of medical science to which the research has contributed. The support by a charity of private commercial research is not permitted. A large proportion of special purpose charitable funding is spent on individual research projects and the charitable funds committee has also awarded considerable recurring funds from general purposes towards the Research and Development (R & D) Support fund. Researchers without their own funding sources should apply for R & D Support funds through the annual bidding cycle and not general purposes directly. However, in exceptional circumstances the committee may consider the use of general purpose funds.
7. Bids for study and travel expenses relevant to the development or services of the Trust will be considered from general purpose charitable funding by the committee upon submission of an application.

**FINANCIAL
STATEMENTS
2020/2021**

Statement of Financial Activities for the year ended 31 MARCH 2021

	Note	2020-21 Unrestricted Funds £000	2020-21 Restricted Funds £000	2020-21 Endowment Funds £000	2020-21 Total Funds £000	2019-20 Unrestricted Funds £000	2019-20 Restricted Funds £000	2019-20 Endowment Funds £000	2019-20 Total Funds £000
Income and Endowments from:									
Donations & Legacies	2.1	0	1,446	0	1,446	0	2,440	0	2,440
Other Trading activities	2.2	0	0	0	0	0	4	0	4
Investments	2.3	0	247	0	247	0	290	0	290
Total Income & Endowments		0	1,693	0	1,693	0	2,734	0	2,734
Expenditure on:									
Raising funds	3	0	357	0	357	0	403	0	403
Charitable activities	4	0	1,134	0	1,134	0	3,187	0	3,187
Governance	5	0	52	0	52	0	46	0	46
Total Expenditure		0	1,543	0	1,543	0	3,636	0	3,636
Net Gains / (Losses) on Investments	8	0	1,714	(1)	1,713	0	(1,150)	(1)	(1,151)
Net Income / (Expenditure)		0	1,864	(1)	1,863	0	(2,052)	(1)	(2,053)
Transfers between funds		0	0	0	0	0	0	0	0
Net movement in funds	6	0	1,864	(1)	1,863	0	(2,052)	(1)	(2,053)
Reconciliation of funds:									
Fund balances carried forward at 31 MARCH 2020		0	6,385	80	6,465	0	8,437	81	8,518
Fund balances carried forward at 31 MARCH 2021		0	8,249	79	8,328	0	6,385	80	6,465

The notes at pages 29 to 42 form part of these financial statements.

Balance Sheet as at 31 March 2021

	Notes	Unrestricted Funds 31.03.21 £000	Restricted Funds 31.03.21 £000	Endowment Funds 31.03.21 £000	Total at 31 March 2021 £000	Unrestricted Funds 31.03.20 £000	Restricted Funds 31.03.20 £000	Endowment Funds 31.03.20 £000	Total at 31 March 2020 £000
Fixed assets:									
Investments	8	0	8,911	79	8,990	0	7,705	80	7,785
Total Fixed Assets		0	8,911	79	8,990	0	7,705	80	7,785
Current assets:									
Stocks		0	5	0	5	0	6	0	6
Debtors	10	0	153	0	153	0	178	0	178
Cash at bank and in hand		0	1,396	0	1,396	0	1,539	0	1,539
Total Current Assets		0	1,554	0	1,554	0	1,723	0	1,723
Creditors: Amounts falling due within one year	11.1	0	1,335	0	1,335	0	2,237	0	2,237
Net Current Assets / (Liabilities)		0	219	0	219	0	(514)	0	(514)
Total Assets less Current Liabilities		0	9,130	79	9,209	0	7,191	80	7,271
Creditors: Amounts falling due after more than one year	11.2	0	881	0	881	0	806	0	806
Total Net Assets		0	8,249	79	8,328	0	6,385	80	6,465
Funds of the Charity									
Capital Funds:									
Endowment funds	12.1	0	0	79	79	0	0	80	80
Income Funds:									
Restricted income funds	12.5	0	8,249	0	8,249	0	6,385	0	6,385
Unrestricted funds		0	0	0	0	0	0	0	0
Total charity funds		0	8,249	79	8,328	0	6,385	80	6,465

The notes at pages 29 to 42 form part of these financial statements.

Signed:



Date: 2nd February 2022

Statement of Cash Flows for the year ended 31 MARCH 2021

	Total 2020/21 £000	Total 2019/20 £000
Cash flows from Operating Activities:		
Net Cash provided by (used in) operating activities	<u>(898)</u>	<u>(238)</u>
Cash flows from investing activities:		
Returns on Investments	247	290
Proceeds from sale of investments	3,737	4,568
Purchase of Investments	<u>(3,229)</u>	<u>(4,317)</u>
Net cash provided by (used in) investing activities	755	541
Change in cash and cash equivalents	<u>(143)</u>	<u>303</u>
Cash and Cash equivalents at the start of the year	1,539	1,236
Cash and Cash equivalents at the end of the year	<u>1,396</u>	<u>1,539</u>
Reconciliation of net income / (expenditure) to net cash flow from Operating activities		
Net income / (expenditure) as per the SOFA	1,863	(2,053)
Dividends and Interest from Investments	(247)	(290)
(Increase) / decrease in Stocks	1	0
(Increase) / decrease in Debtors	25	(51)
Increase / (decrease) in Creditors	(827)	1,005
(Increase) / decrease in Investment Gains / Losses	(1,713)	1,151
Net cash (outflow) / inflow from operating activities	<u>(898)</u>	<u>(238)</u>

**ROYAL LIVERPOOL AND BROADGREEN UNIVERSITY
HOSPITALS NHS CHARITABLE FUNDS**

NOTES TO THE ACCOUNTS

ACCOUNTING POLICIES

1.1 Basis of preparation

The financial statements have been prepared in accordance with 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 – (Charities SORP (FRS 102)), the Financial Reporting Standards applicable in the UK and the Republic of Ireland and the Charities Act 2011.

Royal Liverpool & Broadgreen University Hospitals Charitable Funds meets the definition of a public benefit entity under FRS 102.

(a) Going Concern

The Trustees have carried out an assessment and are of the view that , given the high levels of cash and investments, the charity is a going concern, with no material uncertainties about the charity's ability to continue.

(b) Critical Accounting Judgements and Estimates

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the charities accounting policies and the reported assets, liabilities, income and expenditure and the disclosures made in the financial statements. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the current circumstances. Key judgements concern the timing of recognition of legacy income and the recognition of awards granted to the Trust.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

1.2 Income

The policies followed, which deal with income, voluntary assistance and donations, are:

(a) All incoming resources are included in full in the Statement of Financial Activities as soon as the following three factors can be met:

- i) Entitlement - arises when a particular resource is receivable or the charity's right becomes legally enforceable;
- ii) Certainty – when there is reasonable certainty that the incoming resource will be received;

- iii) Measurement – when the monetary value of the incoming resources can be measured with sufficient reliability.

(b) Gifts in kind

- i) Assets given for distribution by the charity are included in the Statement of Financial Activities only when distributed.

- ii) Assets given for use by the charity (e.g. property for its own occupation) are included in the Statement of Financial Activities as incoming resources when receivable.

- iii) Gifts made in kind but on trust for conversion into cash and subsequent application by the charity are included in the accounting period in which the gift is sold.

In all cases the amount at which gifts in kind are brought into the account is either a reasonable estimate of their value to the charity or the amount actually realised. The basis of the valuation will be disclosed in the annual report if any gifts in kind are received during the year.

(c) Intangible Income including donated services and facilities

Intangible income (e.g. the provision of free accommodation) is included in the accounts with an equivalent amount in outgoing resources, if there is a financial cost borne by another party. The value placed on such income is the financial cost of the third party providing the resources. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised as income or expenditure.

(d) Legacies

Legacies are accounted for as incoming resources once the receipt of the legacy becomes probable. This will be once confirmation has been received from the representatives of the estate that payment of the legacy will be made or property transferred and once all conditions attached to the legacy have been fulfilled.

(e) Interest receivable and dividend income

Interest on funds held on deposit **and dividend income** is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest or dividend paid or payable.

1.3 Expenditure

The funds held on trust accounts are prepared in accordance with the accruals concept. Expenditure is recognised when a liability is incurred and 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. Grant commitments are recognised once there is a legal or constructive obligation to make a payment to a third party.

(a) Cost of generating funds

The cost of generating funds are the costs associated with generating income for the funds held on trust. This will include the costs associated with the Forget-me-Not Appeal and the Foundation for the Prevention of Blindness funds. It will also include Investment management costs which consist of direct fees and a proportion of support costs (see note 5).

(b) Grants payable

Grants payable are payments, made to third parties (including NHS bodies) in the furtherance of the funds held on trust's charitable objectives. They are accounted for on an accruals basis where the conditions for their payment have been met or where a third party has a reasonable expectation that they will receive the grant. This includes grants paid to NHS bodies.

(c) Allocation of Overhead and Support costs

These are accounted for on an accruals basis and have been allocated on an appropriate basis (see note 5) between Charitable Activities and Governance Costs. 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. An estimation of the time allocated by the Senior Financial Accountant to manage the charitable funds section has been made.

(d) Governance Costs

Governance costs comprise all costs incurred in the governance of the charity. These costs include costs related to statutory audit together with an apportionment of overhead and support costs.

(e) Irrecoverable VAT

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

1.4 Structure of funds

Where there is a legal restriction on the purpose to which a fund may be used, the fund is classified in the accounts as a restricted fund. Funds where the capital is held to generate income for charitable purposes and cannot itself be spent are accounted for as endowment funds. Other funds are classified as unrestricted funds. Funds which are not legally restricted but which the Trustee has chosen to earmark for set purposes are designated funds. The major funds held within these categories are disclosed in note 12.

1.5 Tangible Fixed Assets

The charity has no tangible fixed assets.

Investment Fixed Assets

Investment fixed assets (excluding cash) are shown at fair value, which is determined by their market value.

- i) Quoted stocks and shares are included in the balance sheet at mid-market price, ex-div.
- ii) Other investment fixed assets are included at Trustee's best estimate market value.

1.7 Realised 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 (or date of purchase if later). Unrealised gains and losses are calculated as the difference between market value at the year-end and opening market value (or date of purchase if later).

1.8 Intangible Fixed Assets

The charity has no intangible fixed assets.

1.9 Stock

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

1.1 Debtors

Trade and other debtors are recognised at cost, being the settlement amount due. Prepayments are valued at the amount prepaid net.

1.11 Cash at bank and in hand

Cash at bank and in hand includes cash held in the Royal Liverpool and Broadgreen University Hospitals NHS Charitable Funds account and the amounts held in the 'income' accounts within the Charity's investment portfolios.

1.12 Creditors and provisions

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

1.13 Change in the Basis of Accounting

There has been no change in the basis of accounting.

Prior Year Adjustments

There has been no change to the accounts of prior years.

1.15 Pooling Scheme

An official pooling scheme is operated for investments covering all funds registered under the umbrella agreement. The scheme was registered with the Charity Commission on 26th March 2002.

1.16 Related Party Transactions

During the year none of the Trust Board or members of the key management staff or parties related to them has undertaken any material transactions with the Liverpool University Hospitals NHS Foundation Trust (formerly Royal Liverpool and Broadgreen University Hospitals Charitable Trust to 30th September 2019).

The charitable trust has made revenue and capital payments to the Liverpool University Hospitals NHS Foundation Trust (formerly Royal Liverpool and Broadgreen University Hospitals NHS Trust to 30th September 2019), whose Trust Board members (whose names are listed below) also represent the Corporate Trustee.

Further details of related part transactions can be found in note 18.

Trust Board Members

S Musson	Chair
M Eastwood	Non Executive Director
D Fillingham	Non Executive Director (to 30th July 2020)
I Ismail	Non Executive Director (from 1st September 2021)
T Johnston	Non Executive Director
Prof L Kenny	Non Executive Director (to 30th June 2021)
A Phillips	Non Executive Director (to 30th September 2020)
S Samuels	Non Executive Director (from 1st September 2020)
E de Sousa	Non Executive Director (from 1st September 2020)
Prof T Walley	Non Executive Director (from 1st July 2021)
M Wearne	Non Executive Director (to 31st August 2021)
N Willcox	Non Executive Director
S Warbuton	Chief Executive Officer (to 5th September 2021)
D Dalton	Interim Chief Executive Officer (from 6th September 2021)
D Brown	Chief Nurse (to 3rd October 2021)
E Inglesby-Burke	Interim Chief Nurse (from 4th October 2021)
T Cope	Medical Director (to 17th October 2021)
J Brennan	Interim Medical Director (from 18th October 2021)
R Forster	Deputy Chief Executive Officer & Chief Finance Officer
D Herring	Chief People Officer
B Weston	Chief Operating Officer

Donations & Legacies

2.1

	Unrestricted 2020-21 Funds £000	Restricted 2020-21 Funds £000	Endowment 2020-21 Funds £000	Total 2020-21 Funds £000	Total 2019-20 Funds £000
Donations	0	1,313	0	1,313	1,897
Legacies	0	133	0	133	543
Total	0	1,446	0	1,446	2,440

Trading Activities

2.2

	Unrestricted 2020-21 Funds £000	Restricted 2020-21 Funds £000	Endowment 2020-21 Funds £000	Total 2020-21 Funds £000	Total 2019-20 Funds £000
Fundraising	0	0	0	0	4
Total	0	0	0	0	4

Investment Income

2.3

	Unrestricted 2020-21 Funds £000	Restricted 2020-21 Funds £000	Endowment 2020-21 Funds £000	Total 2020-21 Funds £000	Total 2019-20 Funds £000
Dividends and investment Interest	0	247	0	247	281
Bank Interest	0	0	0	0	9
Total	0	247	0	247	290

Expenditure on Raising funds

3

	Unrestricted 2020-21 Funds £000	Restricted 2020-21 Funds £000	Endowment 2020-21 Funds £000	Total 2020-21 Funds £000	Total 2019-20 Funds £000
Fundraising Costs	0	305	0	305	348
Investment Management	0	52	0	52	55
Total	0	357	0	357	403

Expenditure on Charitable Activities

4

	Unrestricted 2020-21 Funds £000	Restricted 2020-21 Funds £000	Endowment 2020-21 Funds £000	Total 2020-21 Funds £000	Total 2019-20 Funds £000
Patients Welfare & amenities	0	77	0	77	447
Staff Welfare & amenities	0	733	0	733	390
Research & Education	0	249	0	249	733
Contributions to NHS Capital	0	75	0	75	1,617
Total	0	1,134	0	1,134	3,187

**Expenditure
Other**

5

	Unrestricted 2020-21 Funds £000	Restricted 2020-21 Funds £000	Endowment 2020-21 Funds £000	Total 2020-21 Funds £000	Total 2019-20 Funds £000
Governance	0	52	0	52	46
Total	0	52	0	52	46

**Allocation and
Apportion to
Governance
Costs**

5.1

	Basis of Allocation	Allocated to Governance £000	Residual for Apportion £000	Total 2020-21 Funds £000	Total 2019-20 Funds £000
Salaries	Time Spent	28	63	91	99
Establishment Costs	Governance	4	0	4	4
Audit Fee	Governance	8	0	8	10
Miscellaneous	Governance	12	1	13	3
Total		52	64	116	116

It should be noted that charity does not employ any staff directly. Rather, the salary costs above are for charity administration staff employed by the Hospital Trust and then the costs are recharged to the Charity

**Apportion of
Support Costs**

5.2

	Direct Costs £000	Support Costs £000	Total costs 2020-21 £000	Total costs 2019-20 £000
Expenditure on raising Funds:				
Fundraising	291	14	305	348
Investment Management	39	13	52	55
Sub - Total	330	27	357	403
Expenditure on Charitable Activities:				
Patients Welfare & amenities	74	3	77	447
Staff Welfare & amenities	709	24	733	390
Research	241	8	249	733
Contributions to NHS Capital	73	2	75	1,617
Sub - Total	1,097	37	1,134	3,187
Governance	0	52	52	46
Total Expenditure	1,427	116	1,543	3,636

It should be noted that charity does not employ any staff directly. Rather, the salary costs of fundraising staff (included in the cost of fundraising above) are employed by the Hospital Trust and then the costs are recharged to the Charity.

Charity Activities by Type	5.3	Grants to Institutions	Grants to Individuals	Support Costs 2020-21	Total 2020-21	Total 2019-20
		2020-21	2020-21	21	2020-21	2019-20
		£000	£000	£000	£000	£000
Patients Welfare & amenities		74	0	3	77	447
Staff Welfare & amenities		450	259	24	733	390
Research		241	0	8	249	733
Contributions to NHS Capital		73	0	2	75	1,617
Total		838	259	37	1,134	3,187

Grants awarded to institutions	5.4	Total 2020-21	Total 2019-20
		£000	£000
Liverpool University Hospital NHS FT / Royal Liverpool & Broadgreen University Hospitals NHS Trust		794	2,941
University of Liverpool		44	185
		838	3,126

Changes in Resources Available for Charity Use	6	Unrestricted	Restricted	Endowment	Total	Total
		2020-21 Funds	2020-21 Funds	2020-21 Funds	2020-21 Funds	2019-20 Funds
		£000	£000	£000	£000	£000
Net movement in funds for the year		0	1,864	(1)	1,863	(2,053)
Net movement in tangible fixed assets		0	0	0	0	0
Net movement in funds available		0	0	0	0	0
		0	1,864	(1)	1,863	(2,053)

Tangible Fixed Assets 7 There are no fixed assets of the charity

**Analysis of
Fixed Asset
Investments**

8		2020-21	2019-20
		£000	£000
8.1	Fixed Asset Investments:		
	Market value at 31 March 2020	7,785	9,187
	Less: Disposals at carrying value	(3,737)	(4,568)
	Add: Acquisitions at cost	3,229	4,317
	Net gain on revaluation	1,713	(1,151)
	Market value at 31 March 2021	8,990	7,785
	Historic cost at 31 March 2021	7,898	8,407

8.2	Market value at 31 March:	Held in UK £000	Held outside UK £000	2020-21 Total £000	2019-20 Total £000
	Investments listed on the Stock Exchange	8,878		8,878	7,505
	Cash held as part of the investment portfolio	112		112	280
		8,990		8,990	7,785

**Post Balance
events**

9

There are no post balance sheet events

Analysis of Debtors	10	Total as at 31 MARCH 2021 £000	Total as at 31 MARCH 2020 £000
	10.1	Amounts falling due within one year:	
		Prepayments	0
		Accrued income	178
		Total debtors falling due within one year	178
	10.2	Amounts falling due over one year:	
		Total debtors falling due after more than one year	0
		Total debtors	178
<hr/>			
Analysis of Creditors	11	Total as at 31 MARCH 2021 £000	Total as at 31 MARCH 2020 £000
	11.1	Amounts falling due within one year:	
		Other creditors	302
		Accruals	1,935
		Deferred income	0
		Total creditors falling due within one year	2,237
	11.2	Amounts falling due after more than one year:	
		Accruals	806
		Total creditors falling after more than one year	806
		Total creditors	3,043

Analysis of Funds

12.1 Endowment Funds 31.03.21		Balance 31 March 2020	Incoming Resources	Resources Expended	Transfers	Gains and Losses	Balance 31 March 2021
(list individually)		£000	£000	£000	£000	£000	£000
A	M A Davies	20	0	0	0	(1)	19
B	S I V Cooke	16	0	0	0	(1)	15
C	Dr J Bernstein	3	0	0	0	0	3
D	Mr N Gibbon	41	0	0	0	1	42
	Others (1)	0	0	0	0	0	0
Total		80	0	0	0	(1)	79

Details of material funds - Endowment Funds 31.03.21

12.2	Name of fund	Description of the nature and purpose of each fund
A	M A Davies	Bed endowment fund for Patients Welfare
B	S I V Cooke	Holiday fund for Nurses
C	Dr J Bernstein	RLUH Convalescence and recreation fund
D	Mr N Gibbon	Annual Urology Scholarship

12.3 Endowment Funds 31.03.20		Balance 31 March 2019	Incoming Resources	Resources Expended	Transfers	Gains and Losses	Balance 31 March 2020
(list individually)		£000	£000	£000	£000	£000	£000
A	M A Davies	20	0	0	0	0	20
B	S I V Cooke	16	0	0	0	0	16
C	Dr J Bernstein	3	0	0	0	0	3
D	Mr N Gibbon	42	0	0	0	(1)	41
	Others (1)	0	0	0	0	0	0
Total		81	0	0	0	(1)	80

Details of material funds - Endowment Funds 31.03.20

12.4	Name of fund	Description of the nature and purpose of each fund
A	M A Davies	Bed endowment fund for Patients Welfare
B	S I V Cooke	Holiday fund for Nurses
C	Dr J Bernstein	RLUH Convalescence and recreation fund
D	Mr N Gibbon	Annual Urology Scholarship

Analysis of Funds

12 cont'd

12.5 Restricted Funds 31.03.21	Balance 31 March 2020	Incoming Resources	Resources Expended	Transfers	Gains and Losses	Balance 31 March 2021
	£000	£000	£000	£000	£000	£000
Material funds (list individually)						
A Endocrinology Fund	703	23	(17)	0	156	865
B RLUH General Purpose	511	286	(241)	0	252	808
C L'pool Reg Dialysis Fund	662	24	(102)	0	163	747
D RLBUHT General Purpose	231	1,020	(723)	0	54	582
E RLUH Patient Welfare Fund	399	35	(3)	0	59	490
F Forget Me Not Fund	475	24	(124)	0	100	475
G BGH Haematology Fund	346	13	(8)	0	76	427
H RLUH Renal Transplant Fund	266	9	(6)	0	59	328
Others (98)	2,792	259	(319)	0	795	3,527
Total	6,385	1,693	(1,543)	0	1,714	8,249

Details of material funds - Restricted Funds 31.03.21

12.6	Name of fund	Description of the nature and purpose of each fund
A	Endocrinology Fund	Any charitable purpose relating to disease of the gland
B	RLUH General Purpose	Any charitable purpose relating to Royal Liverpool University Hospital
C	L'pool Reg Dialysis Fund	Any charitable purpose relating to Dialysis services
D	RLBUHT General Purpose	Any charitable purpose relating to Royal Liverpool & Broadgreen University Hospitals
E	RLUH Patients Welfare Fund	For the relief of RLUH patients suffering from sickness and disease or its effects
F	Forget Me Not Fund	Any charitable purpose relating to cancer services
G	BGH Haematology Fund	Any charitable purposes relating to Haematology Unit
H	RLUH Renal Transplant Fund	Any charitable purpose relating to Renal Transplant Unit

12.7 Restricted Funds 31.03.20	Balance 31 March 2019	Incoming Resources	Resources Expended	Transfers	Gains and Losses	Balance 31 March 2020
	£000	£000	£000	£000	£000	£000
Material funds (list individually)						
A Endocrinology Fund	1,272	35	(20)	(500)	(84)	703
B RLUH General Purpose	583	466	(848)	500	(190)	511
C L'pool Reg Dialysis Fund	875	30	(121)	0	(122)	662
D RLBUHT General Purpose	19	261	(2)	0	(47)	231
E RLUH Patient Welfare Fund	413	5	(19)	0	0	399
F Forget Me Not Fund	670	1,386	(1,540)	0	(41)	475
G BGH Haematology Fund	392	13	(7)	0	(52)	346
H RLUH Renal Transplant Fund	303	9	(6)	0	(40)	266
Others (98)	3,910	529	(1,073)	0	(574)	2,792
Total	8,437	2,734	(3,636)	0	(1,150)	6,385

Details of material funds - Restricted Funds 31.03.20

12.8	Name of fund	Description of the nature and purpose of each fund
A	Endocrinology Fund	Any charitable purpose relating to disease of the gland
B	RLUH General Purpose	Any charitable purpose relating to Royal Liverpool University Hospital
C	L'pool Reg Dialysis Fund	Any charitable purpose relating to Dialysis services
D	RLBUHT General Purpose	Any charitable purpose relating to Royal Liverpool & Broadgreen University Hospitals
E	RLUH Patients Welfare Fund	For the relief of RLUH patients suffering from sickness and disease or its effects
F	Forget Me Not Fund	Any charitable purpose relating to cancer services
G	BGH Haematology Fund	Any charitable purposes relating to Haematology Unit
H	RLUH Renal Transplant Fund	Any charitable purpose relating to Renal Transplant Unit

12.9 No material designated funds

Contingencies 13 There were no contingent assets or liabilities for the charity included in the accounts:

Commitments, Liabilities and Provisions 14.1 The Charity has no commitments, liabilities or provisions.

14.2 The Trustee recognise liabilities in the accounts once they have incurred either a legal or constructive obligation to expend funds.

Trustee and Connected Persons Transactions 15

15.1	Trustee expenses reimbursed	2020-21	2019-20
		£	£
	Travel and subsistence	0	0
	Entertainment	0	0
	Other (please describe)	0	0
		<u>0</u>	<u>0</u>
	Total number of Trust Board Members representing the Trustee	<u>11</u>	<u>11</u>

15.2 There was no Trustee remuneration

15.3 There were no transactions with a Trustee or connected persons in any personal capacity

15.4 **Trustee Indemnity Insurance**
Cover provided under Liverpool University Hospitals NHS Foundation Trust's Litigation Authority Non-clinical risk scheme.

Loans or Guarantees Secured against assets of the charity 16 None

Connected Organisations

17

Name, nature of connection, description of activities undertaken and details of any qualifications expressed by their auditors	2020-21		2019-20	
	Turnover of Connected Organisation	Net Profit/ (Loss) for the Connected Organisation	Turnover of Connected Organisation	Net Profit/ Loss for the Connected Organisation
	£	£	£	£
Liverpool University Hospitals NHS FT (formerly Royal Liverpool & Broadgreen University Hospitals NHS Trust)	1,109,384,000	1,410,000	693,482,000	283,159,000

Related party Transactions

18 Related party transactions

During the year none of the Trust Board or members of the key management staff or parties related to them has undertaken any material transactions with the Royal Liverpool and Broadgreen University Hospitals NHS Trust Charitable Funds.

Professor Louise Kenny, Non-Executive member of the Trust Board during 2020/21, is also an employee of the University of Liverpool. The Charity is involved in numerous transactions with the University of Liverpool, involving staff recharges and other research related costs. The Charity accounted for grant activity relating to the University of Liverpool of £44,198 (2019/20: £289,331). Total outstanding owed to the University of Liverpool at 31st March 2021 stood at £615,457 (2019/20: £925,541), although these figures do contain planned future grant spend of £406,668 (2019/20 £596,211) that hasn't been incurred yet. Prof Kenny has no part in these transactions.

Independent auditors' report to the trustees of Royal Liverpool and Broadgreen University Hospitals NHS Trust Charitable Funds

Opinion

We have audited the financial statements of Royal Liverpool and Broadgreen University Hospitals NHS Trust Charitable Funds (the 'charity') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2021 and of its incoming resources 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 for opinion

We have been appointed as auditor under section 149 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. 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 UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions related to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the trusts ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Independent auditors' report to the trustees of Royal Liverpool and Broadgreen University Hospitals NHS Trust Charitable Funds (continued)

Other Information

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the Annual Report, other than the financial statements and our Independent Auditors' Report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Under the Charities Act 2011 we are required to report to you if, in our opinion the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements. We have no exceptions to report arising from this responsibility.

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 & Reports) Regulations 2008 requires us to report to you if, in our opinion:

- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustee's Responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Independent auditors' report to the trustees of Royal Liverpool and Broadgreen University Hospitals NHS Trust Charitable Funds (continued)

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 149 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 auditors' 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.

Based on our understanding of the charity and sector, we identified that the principal risks of non-compliance with laws and regulations related to UK tax legislation and regulations which govern the preparation of financial statements, and 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 financial statements such as the Charities Act 2011. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase revenue, through management bias in manipulation of accounting estimates or accounting for significant transactions outside the normal course of operations. Audit procedures performed included:

- Enquiry of management around actual and potential litigation and claims and instances of non-compliance with laws and regulations;
- Auditing the risk of management override of controls, through testing journal entries and other adjustments for appropriateness, testing accounting estimates (because of the risk of management bias), and evaluating the rationale for significant transactions outside the normal course of operations;
- Reviewing financial statement disclosures and agreeing to supporting documentation to assess compliance with applicable laws and regulations; and
- Review of trustee meeting minutes.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditors' report.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. 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.

Independent auditors' report to the trustees of Royal Liverpool and Broadgreen University Hospitals NHS Trust Charitable Funds (continued)

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 154 of the Charities Act 2011 and for no other purpose. 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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Jason Leach FCA (Senior Statutory Auditor)

Bennett Brooks & Co Limited

Chartered Accountants and Statutory Auditors

Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

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CW8 4EE

2 February 2022