



supporting
life's journey
together

Reg. Charity No.: 1048685

Annual Report and Accounts 2021/22



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Bay Hospitals Charity
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Chair's Foreword

I am delighted to once again welcome you to the Bay Hospitals Charity, Annual Report and Accounts. It has been another challenging year with the pandemic still having a significant impact on fundraising activities. But even through the most difficult times we continue to receive such incredible support. Our fundraising events may have been curtailed but fundraisers have been extremely creative.

Although annual events organised by Bay Hospitals Charity were cancelled during the pandemic, we were glad to see so many walkers involved in the postponed 2020 Keswick to Barrow Walk. We were blessed with good weather and our walkers literally went the extra mile to raise in total £7,775 in support of our hospitals and community areas. They were simply amazing.

We have continued to spend the previously awarded funds from NHS Charities Together in support of staff welfare. This has made such a tangible difference and we have purchased benches and picnic tables to allow staff a safe place to go to enjoy their breaks in the fresh air. Thanks to funding we now also have outdoor gym facilities which is great for mind, body and soul.

We continue to receive great support from staff members especially our Charity Champions who continue to support our cause, actively sharing good news stories and information with friends and colleagues as well as getting involved in other ways. Some are fundraisers organising their own events to raise much needed funds and others raising funds to purchase Christmas gifts for patients who find themselves in hospital over the festive season. It is heart-warming to see colleagues having such a positive impact.

The Christmas Charity Online Auction proved to be a great success. We received some great prizes thanks to the generosity of local contractors working at University Hospitals of Morecambe Bay NHS Foundation Trust. Because of their generosity and the super support from everyone who placed a bid, we were able to raise £2,528.06.

I am truly humbled by the incredible support given to Bay Hospitals Charity which allow us to continue to make a difference and have a positive impact on patient care. Donations mean we can purchase cutting edge equipment, enhance the environment and develop staff skills by providing training courses and of course using funds to add the special little touches that really make a difference.

May I thank each and every person who has had such a positive impact on Bay Hospitals Charity. With your support we will continue to do our best to make a difference.

Signed:

A handwritten signature in black ink, reading 'Mike Thomas', is displayed on a white background.

Mike Thomas
Chair

Statement of Trustee Responsibilities

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the Charity's financial activities during the year and of its financial position at the end of the year. In preparing financial statements giving a true and fair view, the Trustees should follow best practice and:

- apply suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements; and;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Corporate Trustee is responsible for keeping accounting records, which disclose with reasonable accuracy the financial position of the Charity. This enables it to ascertain the financial position of the Charity and ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the trust deed. The Corporate Trustee is responsible for safeguarding the assets of the Charity, and therefore for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees confirm that they have met the responsibilities set out above and complied with the requirements for preparing accounts. The financial statements set out on pages 15 to 25 of this report have been compiled from and are in accordance with the financial records maintained by the Trustees.

By Order of the Corporate Trustee
Signed:



Trustee

Charity Corporate Trustee

University Hospitals of Morecambe Bay NHS Foundation Trust is the sole and corporate Trustee of the Charity and Trustee responsibilities are conferred on the board members. All Executive Directors are appointed through a process of fair and open competition. The Chair and Non-Executive Directors are appointed by the Council of Governors Nominations Committee.

Those serving during the year were as follows:

Mike Thomas, Chair
Aaron Cummins, Chief Executive
Chris Adcock, Director of Finance / Deputy Chief Executive
Bridget Lees, Executive Chief Nurse (wef 01/01/2022)
Leanne Cooper, Acting Chief Operating Officer (wef 01/03/2022)
Jane McNicholas, Medical Director (wef 01/11/2021)
David Wilkinson, Director of People and OD
Adrian Leather, Non-Executive Director
Hugh Reeve, Non-Executive Director
Liz Sedgley, Non-Executive Director
Jill Stannard, Non-Executive Director
Stephen Ward, Non-Executive Director
Sarah Rees, Non-Executive Director (wef 24/09/2021)

Members who have resigned / term of office ended during 2021/22

Sue Smith, Executive Chief Nurse / Deputy Chief Executive (Resigned wef 30/09/2021)
Shahedal Bari, Medical Director (Resigned wef 31/10/2021)
Kate Maynard, Chief Operating Officer (Retired wef 31/03/2022)
Jackie Bird, Interim Chief Nurse (From 13/09/2021 to 31/12/2021)
Bruce Jassi, Non-Executive Director (Term of Office ended 24/02/2022)
Rachel Isba, Non-Executive Director (Sabbatical from 01/09/21)

Reference and Charity Administration Details

Charity Name: Bay Hospitals Charity

Charity Registration Number: 1048685

Principal Office Address: Finance Directorate
PO Box 98
Moor Lane Mills
Lancaster
LA1 4GG

Other Relevant Organisations:

Charity Bankers: NatWest
PO Box 17
68 Church Street
Lancaster
LA1 1LN

Charity Solicitors: Hill Dickinson LLP
Pearl Assurance House
Derby Square
Liverpool
L2 9XL

Charity Auditors: Grant Thornton UK LLP
Level 8
110 Queen Street
Glasgow
G1 3BX

Governance, Management and Structure

The Nature of the Governing Document

Bay Hospitals Charity holds approximately 140 charitable funds; the funds relate to Care Groups across the sites that constitute University Hospitals of Morecambe Bay NHS Foundation Trust.

In 1998 Morecambe Bay Hospitals NHS Trust took over the management of funds held on trust following the merger of three NHS Trusts: Furness General Hospitals NHS Trust, Lancaster Acute Hospitals NHS Trust and Westmorland Hospitals NHS Trust.

Each of these NHS Trusts had registered charitable funds governed by declarations of trust set out in trust deeds. Following the merger supplemental deeds were registered with the Charity Commission bringing all the funds held on trust together under the umbrella of Bay Hospitals Charity and one charity registration number.

Funds are classified as either restricted or unrestricted, according to the nature of the fund.

Recruitment and Appointment of New Trustees

All Executive Directors are appointed through a process of fair and open competition. The Chair and Non-Executive Directors are appointed by the Council of Governors Nominations Committee.

Induction and Training of Trustees

In line with the recommendations of the 'Good Governance Code' all new Trustees receive an induction pack. All Trustees receive updates throughout the year.

Organisational Structure and Delegations

Structure

The Charity operates with a single charity approach after approval from the Corporate Trustee Committee and the Charity Commission. Within the single charity are restricted and unrestricted funds. The object of the Charity is wholly or mainly for the services provided by the University Hospitals of Morecambe Bay NHS Foundation Trust.

All the unrestricted funds are available for any purpose relating to the NHS but are wholly or mainly for the stated purpose contained in the funds title.

Where a legacy of £5,000 or above is received, a separate restricted fund will be created in accordance with accounting policy 1.2. Legacies below this value are placed in the most appropriate designated fund to respect the wishes of the donor.

The Trustees have responsibility for reviewing the structure and making appropriate changes.

Delegations

A Charity Corporate Trustee Committee is in place to oversee the use of funds on behalf of the Trustees. The committee is chaired by the Chair of the Trust.

The relevant Care Group Managers (and authorised deputies) have delegated authority to authorise purchases from their charitable funds of up to £500. Any amount over £500 up to £24,999 requires additional approval from the Head of Financial Services. Any purchase over £25,000 requires authorisation from the Charity Corporate Trustee Committee.

Connected and Supporting Charities

Although independent, the following charities pursue largely the same aims as Bay Hospitals Charity offering additional financial support to the hospitals. The connected charities give solely to the Hospitals and the supporting charities kindly support the Hospitals as one of their beneficiaries.

Connected Charities

	Charity No
Hospital Equipment Fund for Furness	515503
Friends of Royal Lancaster Infirmary	507166
The Millom Hospital League of Friends	515213

Supporting Charities

	Charity No
Rosemere Cancer Foundation	1131583
Lancaster & Morecambe Sight Saver Appeal	701762

Risk Management – Policies and Procedures

During the year, the Corporate Trustee Committee has approved policies in relation to each of the items below. The current economic climate has affected the amount of interest received.

Risk Management

The Trustees actively review the perceived major risks that the Charity faces. Operational standards have been set throughout the organisation, which are audited on a regular basis. The Charity also maintains a risk register which is reviewed regularly.

Policies and procedures are in place to ensure donations are recorded and acknowledged upon receipt. Expenditure is controlled to ensure it fulfils the purpose of the donations.

Income

All transactions are undertaken in accordance with the Charity's standing orders and standing financial instructions for funds held. This means that all items are subject to strict financial controls to safeguard and monitor monies donated. Donors' wishes are taken into account when allocating their money to the appropriate fund.

All legacies are acknowledged at the point of notification and monitored to ensure they are received and spent in accordance with the wishes of the donor.

Expenditure

Expenditure is controlled to ensure that it fulfils the objects of the Charity and of the individual funds.

Investments

The Corporate Trustee has the power to invest in such assets as it sees fit. Where investments are undertaken professional advice is sought. Any investments must be low risk and broadly ethical. No investments are made in companies whose products may be detrimental to health such as alcohol or tobacco.

Investment performance is reviewed annually.

Reserves

The Charity derives its income mainly from donations and legacies, the level of which cannot be accurately predicted year on year.

The Charity's objective is to spend and we do not aim to retain excessive reserves. However, there is a need to retain some reserves; the main reasons for this are,

So that the Charity can ensure donations are spent in line with the donors' wishes.

To ensure there are sufficient funds to fund future developments.

Restricted reserves are accumulated only where a specific project has been identified.

To meet current or anticipated expense such as management, administration and governance costs.

Charitable Aims, Objectives and Activity

Patient focussed expenditure within the NHS largely meets the public benefit test. Bay Hospitals Charity aims to provide public benefit in accordance with its Charity objectives and uses donations received to enhance the services provided by University Hospitals of Morecambe Bay NHS Foundation Trust.

The role of the Bay Hospitals Charity is to raise and use funds for any charitable purpose or purposes relating to patient services delivered at Royal Lancaster Infirmary, Westmorland General Hospital, Furness General Hospital and Millom Hospital. Services are also delivered from Ulverston Health Centre, the Queen Victoria Centre in Morecambe and community premises across the Morecambe Bay area. The principal purpose of the NHS is to deliver services to patients, and so use of the charitable funds is focused on enhancing the experience over and above what the NHS would normally provide to patients and their families.

The aim of Bay Hospitals Charity is to improve patient care through the provision of additional equipment, services, training and education. This is achieved both directly through patient-focused expenditure, such as improving patient waiting areas or purchasing additional equipment, and indirectly by funding additional training or training aids, enabling and upskilling staff to deliver improved services to local patients. The main priority for the Charity is to enhance that which is provided by the NHS, ensuring continued excellence in treatment and care.

The majority of expenditure in 2021/22 has been spent in the following areas;

Building and refurbishments	£23,000
Purchase of new equipment	£356,000
Staff welfare	£50,000
Patient welfare	£29,000

Grateful Thanks

Here is a little taster of some of the equipment we have managed to purchase thanks to the generosity of our donors. Funding has allowed us to buy a wide range of equipment, improvements and training, benefitting patients, staff and the hospital environment. Here are just a couple of examples of how the money has made a difference:

- A new piece of interactive sensory equipment in Children's Ward at the Royal Lancaster Infirmary, is helping to keep young people of all ages active and entertained. The Charity has purchased an omiVista Mobii 3 interactive projector for the ward to help keep children mentally stimulated and assist their recovery during their stay on the ward. Children can enjoy a range of games, puzzles and activities using the motion-sensitive equipment, using projections that change in response to their movement. It can be taken into side rooms for children unable to leave their room and it can be used by children in wheelchairs. From toddlers to older children, they all find something to entertain them and for our orthopaedic patients this is just the thing to encourage them to get out of bed and start moving around in a fun way.
- Bay Hospitals Charity have also funded Accuvein devices for use at the hospital. The equipment uses light to improve the visibility of veins in patients of all ages, helping to ensure needles and cannulas can be inserted as easily as possible to give patients medicines and

fluids. The equipment can be particularly useful when caring for children, or patients whose veins are difficult to locate due to dehydration. As well as minimising discomfort for patients, Accuveins save the Trust money and cut waste by reducing the number of failed attempts to insert cannulas.

Aims for the Year Ahead

Moving forward we have some exciting plans for the charity, the first of these being a front of house location for the charity office at the Royal Lancaster Infirmary. This increased visibility will hopefully raise awareness and public interest and support.

Achievement of Aims

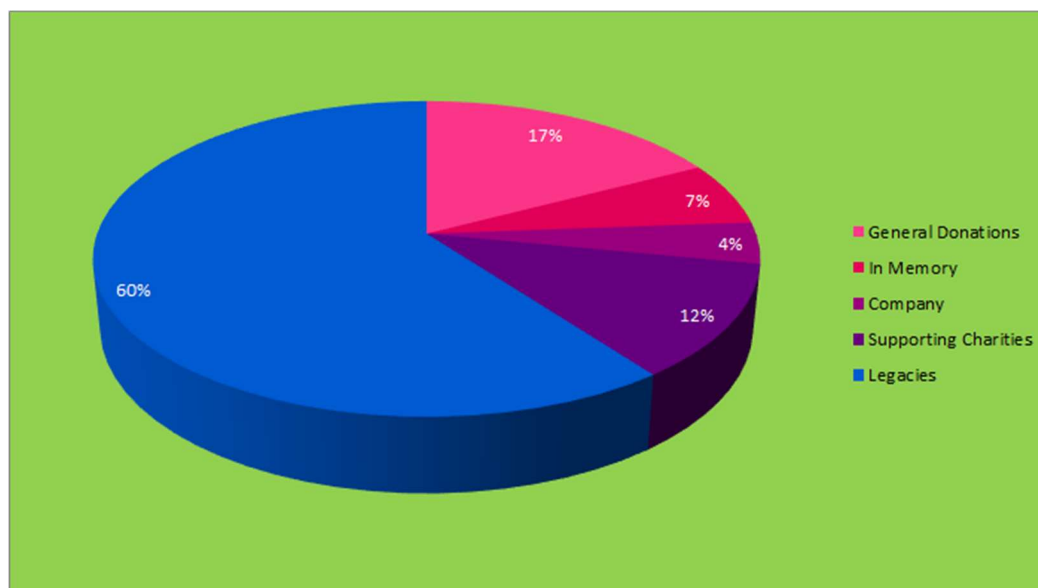
This year we have had a great exposure in local press and radio and we have engaged internally with staff. We continue to be active on social media and have a steadfast and loyal following. Our aim is to continue on this path and building on what we already have.

Volunteers

Due to the pandemic, many of our volunteers who had been isolating made the decision not to return. We thank them for their hard work over the years. We are so grateful for the time, commitment and energy they have put in to supporting the charity.

Fundraising Events

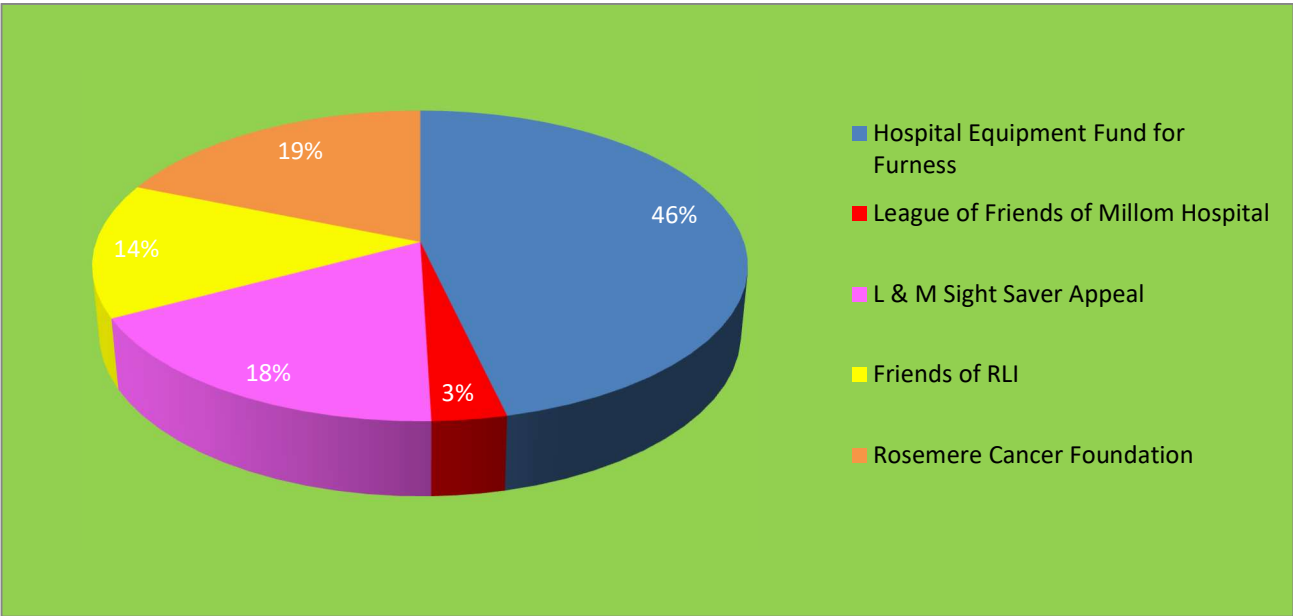
As you would imagine, the pandemic has impacted the charity as all fundraising events were curtailed following Government advice. This led us to increase our communication via social media as a way to engage in more creative ways. We were delighted to finally take part in the postponed 2020 Keswick to Barrow event and had an eager team willing and able to take part. It felt good to take part in an outdoor event and even better to be cheering on our fundraisers.



Connected and Supporting Charities

The Charity has received £90,000 from its connected and supporting charities. We are so thankful and would like to convey our gratitude and appreciation. Donations allow our clinicians access to the latest equipment allowing them to diagnose and treat patients quickly and effectively. We are so grateful for this continued commitment and support.

The following chart shows individual contributions during the year.



The Trustees of Bay Hospitals Charity would like to convey their sincere thanks to the connected and supporting charities for their valuable support.

How to support

Get Involved

For details on volunteering opportunities, our events or to let us know what you have planned, please visit www.bayhospitalscharity.org, email charity@mbht.nhs.uk or call the team on 01524 516064.

Making a Donation

For ways in which you can make a donation please visit www.bayhospitalscharity.org or call the team on 01524 516064.

Gifts in Memory

Many thousands of pounds are donated each year to our hospitals in memory of patients who have passed away. The funds are used to improve facilities or buy equipment that will benefit patients. Your thoughtfulness helps us to create something positive out of a sad personal loss.

Legacy Support

Gifts left to the Charity in a Will provide us with a valuable income source that help us to fund vital work across our hospitals ensuring that we continue to make a difference. It also allows us to plan for the future. The smallest legacy can have a lasting impact helping future generations.

Gift Aid

Last year we claimed thousands of pounds in Gift Aid. If you are a UK tax payer a simple declaration for every £1 donated ensures that the Charity receives 25p extra though Gift Aid at no extra cost to you.

Get In touch

For information about our charity, please visit www.bayhospitalscharity.org email charity@mbht.nhs.uk or call the team on 01524 516064.

We would love to hear from you and we are here to support you every step of the way to help, advise or encourage.

Financial Review

The full 2021/22 Statement of Financial Activities and Balance Sheet are set out on the following pages. They show the year end Fund Balances as £1,806,000.

Total income in the year amounted to £773,000. Donations of £200,000 were received in the year and legacy income amounted to £465,000 of which £90,000 was received in the year and £375,000 is accrued. A further £90,000 was received from supporting and connected charities and £18,000 was generated from Gift Aid, interest and fundraising activities. Legacy income is only accrued when there is a reasonable certainty of receipt and is based on notifications provided by the representatives of the Estates concerned. The Charity's officers liaise closely with solicitors to ensure that any specific wishes are carried out.

Expenditure relating to charitable activities was approved for the benefit of University Hospitals of Morecambe Bay NHS Foundation Trust to the value of £553,000 in 2021/22. The sum of £430,000 on new equipment, £28,000 on building and refurbishments, £60,000 on staff welfare and education, and £35,000 on patient welfare.

Administrative costs amounted to £95,000 in the year; of this £90,000 are direct support costs. Support costs are those costs linked directly to running of the Charity and these have been apportioned to each charitable fund managed by the Charity. The balance of £5,000 relates to Governance costs. Governance costs include a proportion of administrative costs relating to time spent on policy and compliance issues, including the preparation of the annual accounts and returns together with the cost of external audit and amortisation.

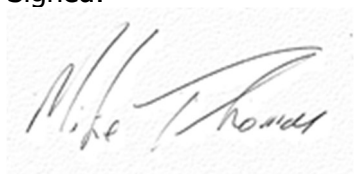
The Charity and its Trustees do not act as Custodian Trustee on behalf of any other Charity and the Charity has no funds in deficit for the financial year 2021/22.

Future Plans:

The Charity looks forward to continuing to support the University Hospitals of Morecambe Bay NHS Foundation Trust to further develop and augment its services. The Charity plans to continue to fund items of equipment, services, training and education in line with the key objectives of the Charity.

By order of the Trustees:

Signed:



Chair

Date: 20 October 2022

ANNUAL ACCOUNTS OF BAY HOSPITALS CHARITY 2021/22

STATEMENT OF FINANCIAL ACTIVITIES FOR THE PERIOD ENDING 31 MARCH 2022

	Note	2021/22			2020/21		
		Unrestricted Funds £'000	Restricted Funds £'000	Total Funds £000	Unrestricted Funds £'000	Restricted Funds £'000	Total Funds £000
Income from:							
Donations and legacies		221	549	770	239	390	629
Other trading activities		3	0	3	1	0	1
Investments		0	0	0	1	0	1
Total Income	3	224	549	773	241	390	631
Expenditure on:							
Generating Funds		13		13	6		6
Charitable Activities		191	362	553	261	360	621
Total Expenditure	5	204	362	566	267	360	627
Net movement in funds		20	187	207	(26)	30	4
Fund balances brought forward at 1 April		777	822	1,599	803	792	1,595
Fund balances carried forward at 31 March		797	1,009	1,806	777	822	1,599

BALANCE SHEET AS AT 31 MARCH 2022

	Note	31 March 2022			31 March 2021		
		Unrestricted Funds £'000	Restricted Funds £'000	Total £'000	Unrestricted Funds £'000	Restricted Funds £'000	Total £'000
Fixed Assets							
Intangible Assets		-	-	-	-	-	-
Total Intangible Assets	7	0	0	0	-	-	-
Current Assets							
Debtors	9	22	440	462	0	108	108
Cash at Bank and in Hand	10	820	634	1,454	810	745	1,555
Total Current Assets		842	1,074	1,916	810	853	1,663
Liabilities							
Creditors: Amounts Falling Due Within One Year	12	45	65	110	33	31	64
Net Current Assets / (Liabilities)		797	1,009	1,806	777	822	1,599
Total Net Assets		797	1,009	1,806	777	822	1,599
Funds of the Charity	13						
Restricted Income Funds		-	1,009	1,009		822	822
Unrestricted Income Funds		797		797	777		777
Total Funds		797	1,009	1,806	777	822	1,599

The notes at pages 17 to 25 form part of the accounts.

Signed:



Date:

20 October 2022

STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 MARCH 2022

	Note	2021/22 Total funds £'000	2020/21 Total funds £'000
Cash flows from operating activities:			
Net cash provided by (used in) operating activities	11	(55)	77
Cash flows from investing activities:			
Interest from investments		0	1
Change in cash and cash equivalents in the reporting period		(55)	78
Cash and cash equivalents at the beginning of the reporting period		1,509	1,477
Cash and cash equivalents at the end of the reporting period	10	1,454	1,555

Notes to the Accounts

1 Accounting Policies

Basis of preparation

The Financial Statements have been prepared under the historic cost convention. The accounts have been prepared in accordance with the Statement of Recommended Practice by Charities (FRS 102), the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The Trustees consider that there are no material uncertainties about Bay Hospitals Charity's ability to continue as a going concern. There are no material uncertainties affecting the current year's accounts.

1.1 Reconciliation with previous generally accepted accounting policies

In preparing the accounts, the Trustees are required to comply with FRS 102 and the Charities SORP FRS 102.

Governance costs are classified as support costs and have been included within the expenditure on Charitable Activities. Governance costs included within expenditure are £5,000 in 2020/21 (2020/21 £9,000).

1.2 Funds structure

Where a donor has provided for the donation to be spent in furtherance of a specified charitable purpose and there is a legal restriction on the purpose to which a fund may be put, then the fund is classified as a restricted fund. Restricted funds are created for all such donations of £5,000 and above.

The remaining funds, which are not restricted, are unrestricted income funds which are analysed between designated (earmarked) funds and wholly unrestricted funds. Designated funds are where the donor has made known their non-binding wishes or where the Trustees, at their discretion, have created a specific fund for a specific purpose. Unrestricted funds may be used at the discretion of the Trustees.

1.3 Income

a) All incoming resources

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) probable - more likely than not that resources 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 funds are included in the Statement of Financial Activities only when distributed.
- ii) Assets given for use by the funds (e.g. property for its own occupation) are included in the Statement of Financial Activities as incoming resources and the Balance Sheet as assets when receivable.
- iii) Gifts made in kind but on trust for conversion into cash and subsequent application by the funds 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 account is either a reasonable estimate of their value or the amount actually realised.

c) Legacies

Legacies are accounted for as incoming resources when a part or final distribution is received from the executors of the estate(s), or when the factors specified in (a) above can be met.

Where the exact monetary value is not known, an assessment will be made based on known facts and potential liabilities and disbursements due from the estate, to provide a reasonable estimation of the amount due to the Charity.

1.4 Resources expended and irrecoverable VAT

All expenditure is accounted for in accordance with the accruals concept. All expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is more likely than not that a transfer of benefits will be required in settlement and the amount can be measured or estimated reliably.

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

1.5 Recognition of expenditure and associated liabilities as a result of grants

The Charity does not make grants to individuals. Grants are payments, made to NHS bodies, in furtherance of the funds held on trust's charitable objectives, to relieve those who are sick. The total cost of making grants is disclosed on the face of the Statement of Financial Activities. Grant payments are recognised as expenditure when the conditions for their payment have been met or where there is a constructive obligation.

A constructive obligation arises when:

- i) We have communicated our intention to award a grant to a recipient who then has a reasonable expectation that they will receive a grant
- ii) We have made a public announcement about commitment which is specific enough for the recipient to have reasonable expectation that they will receive a grant
- iii) There is an established pattern of practice which indicates to the recipient that we will honour our commitment

The trustees have control over the amount and timing of grant payments and consequently where approval has been given by the trustees and any of the above criteria have been met then a liability is recognised. Grants are not usually awarded with conditions attached. However, when they are then those conditions have to be met before the liability is recognised.

Where an intention has not been communicated, then no expenditure is recognised but a commitment is made in the appropriate fund. If a grant has been offered but there is uncertainty as to whether it will be accepted or whether conditions will be met, then no liability is recognised but a contingent liability is disclosed.

1.6 Allocation of support costs

Support costs are those costs which do not relate directly to a single activity. These include some staff costs, external audit and IT costs. Support costs have been apportioned across Charitable Activities based on fund balances. The analysis of support costs and the apportionment applied are shown in note 5.1.

1.7 Investment in fixed assets

Investment in fixed assets are shown at market value as at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on any revaluation and disposals throughout the year.

1.8 Fixed assets

Purchased for Bay Hospitals Charity

a) Capitalisation

All assets falling into the following categories are capitalised:

- i) tangible and intangible assets which are capable of being used for more than one year, and have a cost equal to or greater than £5,000;
- ii) groups of tangible or intangible fixed assets which are interdependent or would normally be provided or replaced as a group with a total value in excess of £5,000 and an individual value of £250 or more.

b) Valuation

Tangible and intangible assets are valued at current cost as follows:

Equipment is valued at the lower of estimated net replacement cost or recoverable amount;

c) Amortisation

The only asset owned by the Charity is computer software which has been fully amortised over a life of 7 years.

Purchased for University Hospitals of Morecambe Bay NHS Foundation Trust

Fixed assets bought via the Charity are gifted to the Trust and accounted for in the Trust's accounting records.

1.9 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 sale proceeds and opening market value (or date of purchase if later). Unrealised gains and losses are calculated as the difference between opening market value and closing market value for the year (or date of purchase if later).

1.10 Debtors

Debtors are amounts owed to the Charity. They are measured on the basis of their recoverable amount.

1.11 Cash and cash equivalents

Cash at bank and in hand is held to meet the day to day running costs of the Charity as they fall due. Cash equivalents are short term, highly liquid investments, held in interest bearing savings accounts.

1.12 Creditors

Creditors are amounts owed by the Charity. They are measured at the amount that the Charity expects to have to pay to settle the debt.

1.13 Cashflow statement

The Charity is required by Financial Reporting Standard 102 to provide a Cash Flow Statement.

NOTE 2: RELATED PARTY TRANSACTIONS

Bay Hospitals Charity is managed by the Corporate Trustee which is also the Board of Directors of the University Hospitals of Morecambe Bay NHS Foundation Trust which is the main beneficiary of the Charity. During the year the Charity made revenue and capital payments to the NHS Foundation Trust and these are detailed in note 5.

The Charity receives support from a number of supporting and connected charities as detailed in note 3 and as listed in the Trustees Annual Report.

Neither the Corporate Trustee or any member of the NHS Foundation Trust Board received honoraria, emoluments or expenses in the year and the Trustees have not purchased separate trustee indemnity insurance.

NOTE 3: ANALYSIS OF INCOMING RESOURCES

	Unrestricted Funds £'000	Restricted Funds £'000	2021/22 Total Funds £'000	2020/21 Total Funds £'000
Income from				
Donations from individuals	117	0	117	173
Donations in Memory of	50	0	50	36
Corporate donations	9	24	33	221
Connected and supporting Charities	0	90	90	27
Gift Aid	14	1	15	19
Legacies	31	434	465	153
Other trading activities	3	0	3	1
Investment Income	0	0	0	1
Total Income	224	549	773	631

NOTE 4: ROLE OF VOLUNTEERS

Bay Hospitals Charity has a number of fundraising volunteers who actively fundraise for the Charity.

In accordance with the SORP, due to the absence of any reliable measurement basis, the contribution of these volunteers is not recognised in the accounts.

NOTE 5.1: ANALYSIS OF CHARITABLE EXPENDITURE

The Charity did not undertake any direct charitable activities on its own account during the year. All of the charitable expenditure was in the form of grant funding. Grants were approved in favour of the partner organisation, University Hospitals of Morecambe Bay NHS Foundation Trust to carry out activities that will benefit patients, relatives and staff. The Charity incurred expenditure with third parties in pursuance of those grants or reimbursed expenditure incurred by them.

	Grant funded activity £'000	Support costs £'000	Total 2021/22 £'000
Building and refurbishment	23	5	28
Purchase of new equipment	356	74	430
Patients welfare	29	6	35
Staff education and welfare	50	10	60
	458	95	553
	Grant funded activity £'000	Support costs £'000	Total 2020/21 £'000
Building and refurbishment			0
Purchase of new equipment	350	79	429
Patients welfare	13	3	16
Staff education and welfare	144	32	176
	507	114	621

NOTE 5.2 ANALYSIS OF GRANTS

The Charity does not make grants to individuals. All grants are made to University Hospitals of Morecambe Bay NHS Foundation Trust. The total costs of making grants including support costs, is disclosed on the face of the Statement of Financial Activities and the actual funds spent on each category of charitable activity, is disclosed in note 5.

The trustees operate a scheme of delegation for the majority of the charitable funds, under which fund advisors manage the day to day disbursements on their projects in accordance with the directions set out by the trustees in Charity standing orders and financial instructions. Funds managed under the scheme of delegation represent ongoing activities and it is not possible to segment these activities into discreet individual grant awards.

Support costs are allocated to charitable activities. Governance costs are those support costs which relate to the strategic and day to day management of a charity. All support costs are allocated based on fund balance at the time the apportionment is made.

2021/22

	Charitable activities		TOTAL 2021/22 £'000
	Unrestricted Funds £'000	Restricted Funds £'000	
Independent Examination	1	1	2
Salaries and related costs	3	0	3
Amortisation	0	0	0
Governance costs	4	1	5
Salaries and related costs	41	44	85
Computing & office expenses	3	2	5
Total	48	47	95

2020/21

	Charitable activities		TOTAL 2020/21 £'000
	Unrestricted Funds £'000	Restricted Funds £'000	
Independent Examination	1	1	2
Salaries and related costs	7	0	7
Amortisation	0	0	0
Governance costs	8	1	9
Salaries and related costs	55	42	97
Computing & office expenses	4	4	8
Total	67	47	114

NOTE 5.3 ANALYSIS OF STAFF COSTS AND REMUNERATION OF KEY MANAGEMENT PERSONNEL

No members of staff are employed directly by the Charity, salary costs in respect of financial management and administration are recharged by University Hospitals of Morecambe Bay NHS Foundation Trust. The recharge is based on time spent on work related to the Charity.

The Charity Officer, Fundraising Coordinator and the Charity Manager are recharged to the Charity in full. 10% of the cost of the Deputy Head of Financial Services has been recharged to the Charity

	2021/22 £'000	2020/21 £'000
Salaries and wages	68	78
Social security costs	7	8
Employers pension contribution	10	11
	85	97

NOTE 6 AUDITOR'S REMUNERATION

Auditor's remuneration of £2,400 (2020/21 £1,800) relates solely to independent examination of the accounts. No additional audit work has been undertaken.

NOTE 7: ANALYSIS OF INTANGIBLE ASSETS

The only asset owned by the Charity is computer software which has been fully amortised over a life of 7 years.

NOTE 8: ANALYSIS OF FIXED ASSET INVESTMENTS

The Charity holds no fixed asset investments. The prior year the sole investment held by the Charity was sold in 2020/21 at a value of £1,000.

NOTE 9: ANALYSIS OF DEBTORS

	2021/22 £'000	2020/21 £'000
Amounts Falling Due Within One Year		
Accrued Income	423	103
Other Debtors	39	5
Total Amounts Falling Due Within One Year	462	108

Accrued income represents a number of legacies pending receipt at the balance sheet date.

Other debtors for 2021/22 and 2020/21 represents amounts due from external charities which had not been settled at the balance sheet date.

There were no amounts falling due after more than one year in 2021/22 or 2020/21.

NOTE 10: ANALYSIS OF CASH AND CASH EQUIVALENTS

	2021/22 £'000	2020/21 £'000
Current account	42	42
Deposit account	1,412	1,512
Cash in Hand	-	1
Total cash and cash equivalents	1,454	1,555

Both the deposit and current accounts are held in interest bearing accounts with National Westminster Bank Plc.

No cash or cash equivalents or current asset investments were held in the form of non-cash investments or outside the UK.

All of the amounts held on interest bearing deposit are available to spend on charitable activities.

NOTE 11: RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021/22 £'000	2020/21 £'000
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	207	4
<i>Adjustments for:</i>		
Interest from investments	0	1
(Increase)/decrease in debtors	(354)	27
Increase/(decrease) in creditors	92	46
Net cash provided by (used in) operating activities	(55)	78

NOTE 12: ANALYSIS OF CURRENT LIABILITIES

	2021/22 £'000	2020/21 £'000
University Hospitals of Morecambe Bay NHS FT	50	45
Accruals	60	19
Total Creditors Falling Due Within One Year	110	64

NOTE 13: ANALYSIS OF CHARITABLE FUNDS

	2021/22		
	Balance at 1 April 21 £'000	Incoming Resources £'000	Resources Expended £'000
Total Restricted Funds	822	549	362
Total Unrestricted Funds	777	224	204
Total Funds	1,599	773	566
	2020/21		
	Balance at 1 April 20 £'000	Incoming Resources £'000	Resources Expended £'000
Total Restricted Funds	792	390	360
Total Unrestricted Funds	803	241	267
Total Funds	1,595	631	627

All of the unrestricted and designated/earmarked funds are available for any purpose relating to the NHS but are wholly or mainly for the stated purpose contained in the funds title.

Where a legacy of £5,000 or above is received, a separate restricted fund is created in accordance with accounting policy 1.2. Legacies below this value are placed in the most appropriate designated fund to respect the wishes of the donor.

Structure of Funds

There is an umbrella fund named Morecambe Bay Hospitals Fund in which there are Restricted and Unrestricted funds. The nature and purpose of this fund is 'mainly for services provided by University Hospitals of Morecambe Bay NHS Foundation Trust'.

	2021/22		
	Balance at 1 April 21 £'000	Incoming Resources £'000	Resources Expended £'000
Analysis of Funds by Value			
Restricted			
Legacy - FGH Cancer patients (8 consolidated funds)	185	101	40
Legacy - RLI Coronary Care (5 consolidated funds)	138	0	21
Legacy - RLI Neonatal (2 consolidated funds)	0	270	0
Legacy - RLI Oncology (5 consolidated funds)	166	23	28
Total restricted funds in excess of £50,000	489	394	89
Total restricted funds equal to or less than £50,000	333	155	273
Total restricted funds	822	549	362
Unrestricted			
FGH Oncology Unit	171	24	30
Total unrestricted funds equal to or less than £50,000	606	200	174
Total unrestricted funds	777	224	204
Total funds	1,599	773	566

The total funds at 31 March 2022 are made up of 37 restricted funds and 98 unrestricted funds.

NOTE 14: PROVISIONS FOR CHARGES

	2021/22	2020/21
	£'000	£'000
Commitments at the start of the year	31	29
Less: Commitments released in year	(31)	(29)
Change in value of commitments	0	0
Add: New commitments	20	31
Commitments outstanding at end of year	20	31

There are a total of 12 items which the Charity has made a provisional agreement to fund at 31 March 2022. This includes various items of equipment and furniture. These items are not accounted for in the Statement of Financial Activities.

NOTE 15: CONTROL

The objectives of the Charity as set out in the governing documents, are discharged by the Corporate Trustee. The Corporate Trustee are the Board members of the University Hospitals of Morecambe Bay NHS Foundation Trust who carry out these duties independently from their obligations as Foundation Trust Board members.



Independent examiner's report to the corporate trustee of Bay Hospitals Charity

I report on the accounts of Bay Hospitals Charity (the "charity") for the year ended 31 March 2022, which are set out on pages 15 to 25.

Independent examiner's statement

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

- which gives me reasonable cause to believe that in any material respect, the requirements:
 - to keep accounting records in accordance with section 130 of the Charities Act 2011;
 - to prepare accounts which accord with the accounting records; and
 - to comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008
 have not been met, or
- to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Basis of independent examiner's statement

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

Respective responsibilities of corporate trustee and examiner

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

It is my responsibility to:

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

Your attention is drawn to the fact that the charity's trustees have prepared the charity's accounts in accordance with the Statement of Recommended Practice 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) issued in October 2019 in preference to the Statement of Recommended Practice 'Accounting and Reporting by Charities: Statement of Recommended Practice (revised 2005)' issued in April 2005 which is referred to in the Charities (Accounts and Reports) Regulations 2008 but has been withdrawn. I understand that the charity's trustee has done this in order for the charity's accounts to give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2019.

Use of this report

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

Gareth Kelly

Gareth Kelly FCCA CPFA

Grant Thornton UK LLP
Chartered Accountants

Glasgow

20 October 2022