

Southport AND Ormskirk Hospitals Charity

TRUSTEE'S ANNUAL REPORT

**SOUTHPORT AND ORMSKIRK HOSPITAL CHARITY
FOR THE YEAR ENDING 31 MARCH 2022**

1. FOREWORD

- 1.1. The Corporate Trustee presents the Charitable Fund Annual Report together with the Financial Statements for the year ended 31 March 2022.
- 1.2. The Charity's Annual Report and Accounts for the year ended 31 March 2022 have been prepared by the Corporate Trustee in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) FRS102 and applicable UK Accounting Standards and the Charities Act 2011.
- 1.3. The accounts and the annual report of the Charity are subject to independent review rather than a full external audit.

2. OBJECTIVES AND ACTIVITIES

- 2.1. The Charity's objectives are as follows:

"The Trustee 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".

- 2.2. The Charity is funded by donations and legacies received from patients, their relatives, outside organisations, and the general public. As far as is reasonably practical donated funds are utilised in accordance with the donors' wishes. Where the donation has been made for a specific purpose this is accepted as being binding and will be treated as a restricted fund.
- 2.3. The overall strategy of the Charity is to provide support to the Trust by means of grants.
- 2.4. The Trustee confirms that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aims and objectives and the making of grants. The grants made during the year are detailed below. As a result of these grants the public attending the hospital either as patients or visitors will benefit from the enhancement of equipment and services funded by them.

- | | | |
|-----------------------------|---|--|
| Patients' Welfare | - | Purchase of small pieces of equipment and enhancement of services and facilities over and above that are normally provided by the NHS. |
| Staff Welfare and Education | - | Enhancement of staff facilities and by providing education over and above that would normally be provided by the NHS. |
| Capital Equipment | - | Purchase of equipment in addition to or an enhancement of that which would be normally provided by the NHS. |

3. ACHIEVEMENTS AND PERFORMANCE

- 3.1. Total income for the year was £231,000 which is lower by £107,000 from the previous year 20/21. The difference in income is the result of no grants received from NHS Charities Together in 21/22 comparing to the high values received in 20/21.
- 3.2. The charity was able to spend the donations it received in year and also funds left unspent from last year due to delays on projects caused by the pandemic.
- 3.3. Expenditure in the year was £306,000 (grant funded activity £215,000, support costs £63,000 and other expenditure of £28,000).
- 3.4. The Charity' expenditure exceeded income due to post pandemic high accumulated commitments utilisation, and with a £35,000 net gain on investments resulted an in-year deficit of £40,000 reducing Total Charity Funds from £984,000 to £944,000.
- 3.5. In total, grants of £215,000 (excluding support costs) were awarded. Detailed below are the areas where these grants made the most difference:
- Medical and IT equipment.
 - A range of furniture and decorations across a number of wards and departments to enhance patient experience.
 - Free meals during Christmas, weekly yoga sessions, various courses and training to support staff across various departments to deliver better care for patients.

4. FINANCIAL REVIEW

- 4.1. Total Charity income (donations, legacies and investment income) decreased to £231,000 comparing to previous year (£338,000 in 2020/21).
- 4.2. Investment income was in line with the previous year at £22,000 (£23,000 in 2020/21) as summarised in the table below:

	2021/22	2020/21
	£000	£000
Donations	198	313
Legacies	11	2
Grants	0	0
Investment income	22	23
	231	338

- 4.3. During the year, no payments were made to the Trustee.

4.4. Grants made during the year totalled £215,000 (excluding support costs) as shown in note 4 to the accounts.

4.5. Details of these grants are as follows:

4.5.1. Capital expenditure

- Grants were made of £40,000, (2020/21 £43,000). This includes
 - Oasis overnight accommodation upgrade (£33,980).

4.5.2. Staff Welfare and Amenities

- The grants totalled £73,000 (2020/21 £23,000). These were made to improve the environment and working conditions for staff. This included: Work to create outside sitting area by removing windows , installing doors to the building ,building steps and grass excavation (£12,500);The start of a 2 year Schwartz round implementation (£7,080); Placing gazebo (£4,150), bespoke picnic benches in courtyard areas (£4,800), and more additional benches for staff (£3,500); Support for OD Intervention for Theatres (£5,300), NHS Birthday celebration biscuits supply (£5,000) and Pin badges from Future Design for staff hard work during pandemic (£5,600); Free Christmas related festive breakfasts, Christmas hampers and wellness gifts for staff (£3,800).

4.5.3. Staff Education and Training

- Grants totalling £13,000 (2020/21 £9,000), funded courses and conferences across a range of service areas and specialities including complex rehabilitation course CM&KL, paediatric Multi- Venous IV training, paediatric diabetes team HSJ awards, staff online coaching lessons to support engagement at work.

4.5.4. Patients Welfare and Amenities

- Grants were made of £89,000 (2020/21 £49,000). These were made to improve the quality of patients' stay in the hospitals. This includes the provision of various items such as in hospital events and purchase of decorative items as well as some small equipment.
- Development of ADNAT application (£22,000),Gazebos and benches for patients to rest outside (£14,000), premature baby simulators (£13,000), Ocura sleeper chairs for parents in our Childrens ward (£10,000), therapy garden in Ormskirk for long stay patients (£9,500), Ocura sleeper chairs for parents in our Childrens ward (£10,000), sleeping packs for patient better night sleep experience (£1,900), making videos, Christmas decorations, memorial trees, baubles and Christmas presents for patients (£4,000).

5. Reserves policy

- 5.1. The reserves policy remained unchanged in 2021/22 in that the minimum level of all funds would be sufficient to cover 12 months of running costs.
- 5.2. On 31st March 2022 the value of funds at £944,000 exceeded the £91,000 annual running costs of the charity. Note the running costs are made up of support costs of £63,000 plus £28,000 other expenditure which comprises staff costs and fundraising expenditure costs.

6. Risk Management

- 6.1. The major risks to which the charity is exposed have been reviewed and systems or procedures have been established to manage those risks.
- 6.2. The most significant risks identified were the security and application of income, the approval procedures for expenditure, control of funds and the management of investments.
- 6.3. The activities of the Charity are subject to both the Charity's own governance procedures and scrutiny from internal audit. It can be concluded that the Charity has mitigated any risks both from its income and expenditure perspective as well as its balance sheet investments to a level that is considered acceptable.

7. Investment policy

- 7.1. The purpose of the investment policy is to ensure that the charitable fund portfolio is effectively managed by providing a framework to the Investment advisors that sets out the allocation to each asset class within the constraints set by the charity.

- 7.2. The strategic allocation of the portfolio in 2021/22 was as follows:

Asset Class	Allocation	Tactical Variance	Total range
UK Sovereign Debt	22%	+/-10%	20% to 40%
Cash	4%	+15%	0% to 15%
Equity Investments	59%	+/-10%	55% to 75%
Alternative Assets (hedge, commercial property, commodities)	15%	+/- 10%	0% to 15%

- 7.3. An income generation target was not set for 2021/22. Returns amounted to £22,000 (2020/21 £23,000).

7.4. The following ethical investment constraints have been set by the Trustee, which means that investments in those companies involved wholly or substantially in the following are excluded:

- Tobacco.
- Armaments.
- Alcohol.
- Betting/gaming.
- Payday loans.

Note that wholly or substantially is defined as more than two thirds of the core business.

8. PLANS FOR FUTURE PERIODS

8.1. The Trustee will continue to regularly review spending plans to reflect the changing needs of the NHS service within Southport and Ormskirk. The objective is to enhance facilities for patient care, ensuring that both service needs and the objectives of the Charitable Fund are met.

8.2. A new Charity Fundraising strategy 2021-2024 was adopted by the Trustees in April 2021.

8.3. The key fundraising priorities for year one are stewardship of NHS Charities Together, legacy marketing, contactless giving, lottery set up, Supporter database set up and the recruitment of the Fundraising, Database and Finance Assistant.

8.4. For 22/23, the second year of the strategy, the charity is ensuring that restricted funds are better utilised and have engaged with Clinical Business Units to agree funding priorities. This will mean that spending will increase in 22/23 with a consequent reduction in fund balances.

8.5. In addition the Clinical Business Units are developing wish lists for their areas and this is going to form the focus of future fundraising campaigns.

9. STRUCTURE, GOVERNANCE AND PERFORMANCE

9.1. The Charity was created by a Declaration of Trust on the 1 September 1995 as The Southport and Formby NHS Trust Charitable Fund.

9.2. The name was changed to The Southport and Ormskirk NHS Trust Charitable Fund by a Statutory Instrument dated 1 April 1999 and Resolution dated 26 November 1999.

9.3. The Executive and Non-Executive Directors of the Trust Board are responsible for ensuring that the NHS body fulfils its duties as Corporate Trustee in managing the charitable funds.

9.4. Non-Executive Directors are appointed by the Appointments Commission. Executive Directors are appointed by the Board of the NHS Trust.

- 9.5. On appointment Executive and Non-Executive Directors take part in an induction programme and they are made aware, as Board members, of their responsibilities as the Corporate Trustee of Southport and Ormskirk Hospital NHS Trust Charitable Fund. The induction also includes an overview of the aims, objectives, and the recent performance of the charitable fund. The Board members are also updated regularly with any changes in Charitable Fund legislation.
- 9.6. The Board of the Southport and Ormskirk Hospital NHS Trust has delegated responsibility to manage the charitable funds on behalf of the Corporate Trustee to the Charitable Funds Committee.
- 9.7. The Director of Finance is responsible for the administration of the charitable funds, reporting to the Charitable Funds Committee. He has particular responsibility for ensuring that all expenditure is in accordance with established criteria and approved in line with the Standing Financial Instructions.
- 9.8. Annually the Charitable Fund Committee will review the Investment Policy of the charitable fund, as to asset allocation, cash requirements and ethical investment policy.
- 9.9. The external investment advisors quarterly report will be examined by the Committee to ensure that they are operating within the criteria laid down in this policy.

10. REFERENCE AND ADMINISTRATION DETAILS

Charity name: Southport & Ormskirk Hospital NHS Trust Charitable Fund

Registered Charity No: 1049227

The principal address of the Charity is:

Southport and Ormskirk Hospital NHS Trust
Corporate Office
PO Box 134
Southport
Merseyside
PR8 6PT

Banker: Royal Bank of Scotland
Lord Street
Southport

PR8 1PH

Investment Advisor: Quilter Cheviot
5 St Paul's Square
Liverpool
L3 9SJ


Independent Examiner: Mazars LLP
Salvus House
Aykley Heads
Durham
DH1 5TS

11. Trustee Arrangements:

The Southport and Ormskirk Hospital NHS Trust is the Corporate Trustee of the Charity.
The members of the NHS Trust Board who served during the financial year were as follows:

Name:	Position:
A Marr	Chief Executive Officer
C Morgan	Deputy Chief Operating Officer
L Neary	Chief Operating Officer
J McLuckie	Finance Director
K Clark	Medical Director
L Barnes	Nursing Director
A Stretch	Managing Director
J Royds	Human Resources Director
N Masom	Trust Chair @
I Clayton	Non-Executive Director
P Gibson	Non-Executive Director
G Pollard	Non-Executive Director
D.J. Bricknell	Non-Executive Director
G Brown	Non-Executive Director

Signed on behalf of the Corporate Trustee.



Date: 19th December 2022

Ann Marr OBE
Chief Executive

Statement of Trustee responsibilities in respect of the Trustee's annual report and the financial statements

Under the corporate governance manual of Southport & Ormskirk Hospital NHS Trust and charity law, the trustee is responsible for preparing the Trustee's Annual Report and the financial statements in accordance with applicable law and regulations. The Trustee has elected to prepare the financial statements in accordance with FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland.

The financial statements are required by law to give a true and fair view of the state of affairs of the charity and of the excess of expenditure over income for that period.

In preparing these financial statements, generally accepted accounting practice entails that the trustee:

- select suitable accounting policies and then apply them consistently.
- make judgements and estimates that are reasonable and prudent.
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements.
- state whether the financial statements comply with the charity rules, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustee is required to act in accordance with the rules of the charity, within the framework of trust law. They are responsible for keeping proper accounting records, sufficient to disclose at any time, with reasonable accuracy, the financial position of the charity at that time, and to enable the trustee to ensure that, where any statements of accounts are prepared by them under section 132(1) of the Charities Act 2011, those statements of accounts comply with the requirements of regulations under that provision. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.

Signed on behalf of the Corporate Trustee.



Ann Marr OBE
Chief Executive

Date: 19th December 2022.....

SOUTHPORT AND ORMSKIRK HOSPITAL NHS TRUST CHARITABLE FUND

Statement of Financial Activities for the year ended 31 March 2022

	Note	Unrestricted Funds £000	Restricted Funds £000	Total Funds 2022 £000	Total Funds 2021 £000
Income and endowments from:					
Donations and legacies	2	48	161	209	315
Investments	7	4	18	22	23
Total income		52	179	231	338
Expenditure on:					
Charitable activities	4	(126)	(152)	(278)	(165)
Other	3	(4)	(24)	(28)	(29)
Total expenditure		(130)	(176)	(306)	(194)
Net gains/(losses) on investments	6	7	28	35	102
Net income/(expenditure)		(71)	31	(40)	246
Transfer Between Funds	11			0	0
Net Movement in funds		(71)	31	(40)	246
Reconciliation of Funds					
Total funds brought forward		166	818	984	738
Total funds carried forward		95	849	944	984

The notes on the following pages form part of these accounts

SOUTHPORT AND ORMSKIRK HOSPITAL NHS TRUST CHARITABLE FUND

Statement of Financial Position at 31 March 2022

	Note	Unrestricted Funds £000	Restricted Funds £000	Total Funds 2022 £000	Total Funds 2021 £000
Fixed Assets					
Investments	6	84	746	830	783
Total Fixed Assets		84	746	830	783
Current Assets					
Debtors	8	0	0	0	7
Cash at bank and in hand	9	45	121	166	322
Total Current Assets		45	121	166	329
Liabilities					
Creditors: Amounts falling due within one year	10	(34)	(22)	(56)	(128)
Total net assets		95	845	940	984
The Funds of the Charity					
Funds	11	95	849	944	984
Total Charity Funds		95	849	944	984

The notes on the following pages form part of these accounts

Signed



Date

19/12/22

Name & position

ANN MARR
CHIEF EXECUTIVE

SOUTHPORT AND ORMSKIRK HOSPITAL NHS TRUST CHARITABLE FUND

Statement of Cash Flows for the year ended 31 March 2022

	Total 31 March 2022 £000	Total 31 March 2021 £000
Cash flows from operating activities:	(169)	242
Net cash provided by (used in) operating activities	(169)	242
Cash flows from investing activities:		
Dividends, interest and rents from investments	22	23
Proceeds from sale of investments	136	146
Purchase of investments	(145)	(142)
Net cash provided by (used in) investing activities	13	27
Cash flows from financing activities		
Repayments of borrowing	0	0
Cash inflows from new borrowing	0	0
Receipt of endowment	0	0
Net cash provided by (used in) financing activities	0	0
Change in cash and cash equivalents in the reporting period	(156)	269
Cash and cash equivalents at the beginning of the reporting period	322	53
Change in cash and cash equivalents due to exchange rate movements	0	0
Cash and cash equivalents at the end of the reporting period	166	322

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

	31 March 2022	31 March 2021
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(40)	246
Adjustments for:		
(Gains)/losses on investments	(38)	(102)
Dividends, interest and rents from investments	(22)	(23)
Loss/(Profit) on sale of Fixed Assets	0	0
(Increase)/decrease in stocks	0	0
(Increase)/decrease in debtors	3	3
Increase/(decrease) in creditors	(72)	118
Net cash provided by (used in) operating activities	(169)	242

Analysis of cash and cash equivalents

	31 March 2022	31 March 2021
Cash in hand	166	322
Notice deposits (less than 3 months)	0	0
Overdraft facility repayable on demand	0	0
Total cash and cash equivalents	166	322

1. Accounting Policies

1.1 Basis of preparation

The financial statements have been prepared under the historic cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) FRS102, applicable UK Accounting Standards, the Charities Act 2011 and the organisation's Charity Commission registration.

The accounts are prepared on a going concern basis. In making this assessment the Corporate Trustee has taken into account all the information available including about the future and can confirm that the charity is a going concern.

1.2 Funds structure

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor.

Unrestricted funds comprise those funds which the Trustee is free to use for any purpose in furtherance of the charitable objects.

1.3 Incoming resources

All incoming resources are accounted for once the charity has entitlement to the resources, it is certain that the resources will be received and the monetary value of the incoming resources can be measured with sufficient reliability.

1.4 Incoming resources from legacies

Legacy income is recognised on a receivable basis when there is sufficient evidence to provide necessary certainty that legacy income will be received and the value of the incoming resources can be measured with sufficient reliability. These criteria will normally be met following probate or confirmation and once the executor(s) of the estate have established that there are sufficient assets in the estate, after settling liabilities, to pay legacy income.

1.5 Resources expended

All expenditure is accounted for on an accruals basis. It is recognised once there is a legal or constructive obligation committing the charity to the expenditure.

Grants are only made to related or third party NHS bodies and non NHS bodies in furtherance of the charitable objects of the fund.

1.6 Irrecoverable VAT

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

1.7 Allocation of overhead and support costs

Overhead and support costs have been allocated on an appropriate basis between Charitable Activities and Governance Costs as per note 3.

1.8 Costs of generating funds

The costs of generating funds are the fees charged by the nominees who manage the investments of the fund.

Quarterly management fees are offset against commission charges. Fees that exceed the commission charge are deducted from the funds on deposit (see other expenditure in note 3).

1.9 Charitable activities

Costs of charitable activities comprise all costs incurred in the pursuit of the charitable objects of the charity. These costs comprise direct costs and an apportionment of overhead and support costs.

1.10 Governance costs

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

1.11 Fixed asset investments

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

Quoted stocks and shares are included in the statement of financial position at mid-market price, excluding dividend.

1.12 Net gains/(losses) on investments

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).

1.13 Estimation techniques

The value of potential legacies stated in the contingent asset (note 15) is estimated using information received from solicitors and current property market valuations.

1.14 Critical judgements in applying accounting policies

Funds relating to specific areas of the hospital e.g. to individual wards are considered restricted whereas the general funds (monies received without a donors' wish) are treated as unrestricted.

1.15 Key assumptions regarding the future

The Charity is a public benefit entity and will continue to be. The Charity's main assets are held in investments spread over fixed interest government stock and equity shares. An ethical investment policy is in place and this is reviewed annually. Investment advisors are also engaged and their performance is reviewed throughout the year. This approach helps to reduce the risk of significant valuation adjustments caused by external market and worldwide factors.

1.16 Trustee remuneration and benefits

None of the Board members of the Corporate Trustee have been paid any remuneration or received any other benefits from the charity.

1.17 Amounts paid to key management personnel

No staff are directly employed by the Charity and there is a service level agreement (SLA) in place with Southport & Ormskirk Hospital NHS Trust which includes management services. The value is disclosed in note 13 related party transactions.

1.18 Financial instruments

The charity recognises basic financial instruments as follows: cash, bank deposits, debtors and creditors. Their initial measurement is:

Financial instrument

Cash
Bank deposits
Investments
Debtors
Creditors

Measurement on initial recognition

Cash held
Cash amount of deposit
Originally at cost and then by market value
Settlement amount
Settlement amount

2. Analysis of donations and legacy income

	Unrestricted Funds £000	Restricted Funds £000	Total 2022 £000	Total 2021 £000
Donations	38	160	198	313
Legacies	10	1	11	2
Grants	0	0	0	0
	48	161	209	315

3. Other expenditure

	Unrestricted Funds £000	Restricted Funds £000	Total 2022 £000	Total 2021 £000
Governance Cost	1	0	1	4
Support Cost	3	24	27	25
	4	24	28	29

Southport & Ormskirk Hospital NHS Trust provide full administration support to the Charity and this is embodied in an annual service level agreement.

This agreement breaks down the various service elements and it is this that it used to determine how costs are apportioned between charitable activities and governance. The majority of services relate to charitable activities.

These accounts are not subject to a full audit but rather an independent examination. The costs of this (£1,850 plus irrecoverable VAT) are wholly allocated to governance.

The apportionment of charitable activity support costs is disclosed in note 4.

Financial investment and advice is provided by Quilter Cheviot. Their fee is shown as Investment Management costs.

4. Analysis of charitable activities

The charity pursued its charitable activities by making grants. Support costs have been apportioned across the categories of charitable expenditure on the basis of the number of individual transactions and the associated transaction cost incurred by the charity.

	Grant funded Activity £000	Support Costs £000	Total 2022 £000	Total 2021 £000
Contribution to Capital Expenditure	40	12	52	57
Other Expenditure	0	0	0	0
Patients welfare and amenities	89	26	115	65
Staff welfare and amenities	73	21	94	31
Staff training	13	4	17	12
	215	63	278	165

5. Analysis of grants

All grants are made to the Southport and Ormskirk Hospital NHS Trust. The total cost of making grants is shown on the face of the Statement of Financial Activities, and the actual disbursement for each category of charitable activity is disclosed in note 4.

6. Fixed asset investments

Movement in fixed asset investments

	2022	2021
	£000	£000
Market value brought forward	783	685
Add : acquisitions at cost	145	142
Less: disposals at cost	(136)	(146)
Unrealised gain / (loss) on carrying value of the investment	38	102
Market value at 31 March	<u>830</u>	<u>783</u>
Unrealised gain / (loss) on carrying value of the investment	38	102
Profits / (loss) on sale of investments	11	4
Total realised and unrealised gains (losses) for year	<u>49</u>	<u>106</u>

Analysis of fixed asset investments

	Market Value	Market Value
	2022	2021
	£000	£000
Listed equity investments	646	595
Fixed interest investments	184	188
Other investment funds	0	0
	<u>830</u>	<u>783</u>

Analysis of material investments

	Market Value	
	2022	%
	£000	
Interest (UK Govt Of) 4.75% Gilt 07/12/2030 GBP0.01	32	3.8
Equity JPMORGAN AMER IT	33	3.9
Equity ISHARES	61	7.3
Equity FEDERATED HERME.IN	31	3.9
Equity BNY MELLON GLB FDS	59	7.1
Equity CHARITIES PROP FD	41	5.0
Equity BAILLIE GIFFORD	32	3.9
	<u>289</u>	<u>34.9</u>

For the purpose of this analysis, materiality of investments is considered to be those with a market value greater than £30k.

7. Gross income from investments

	2022	2021
	£000	£000
Listed equity investments	20	20
Fixed interest investments	2	3
	<u>22</u>	<u>23</u>

8. Analysis of debtors

	2022	2021
	£000	£000
Trade debtors	0	0
Accrued income	4	7
	<u>4</u>	<u>7</u>

Accrued income is in respect of Quilters Q4 dividend received in April 2022.

9. Cash at bank

	2022	2021
	£000	£000
Royal Bank of Scotland High Interest Account	141	289
Quilter	25	33
	<u>166</u>	<u>322</u>

10. Analysis of current liabilities

	2022	2021
	£000	£000
Trade creditors	52	121
Accruals and deferred income	4	7
	<u>56</u>	<u>128</u>

The Trade creditor figure represents a sum owed at the end of the year by the Charity to a related party, Southport and Ormskirk Hospital NHS Trust. These are for costs incurred by the related party on behalf of the Charity.

11. Analysis of funds

Material restricted funds	Balance 31 March 2021 £000	Transfer Between Funds £000	Incoming resources £000	Resources expended £000	Balance 31 March 2022 £000
Cancer	93		6	(13)	86
Medical Day Unit	47		8	(7)	48
Neonatal	43		5	(19)	29
Pharmacy	37		3	(5)	35
Rehab Patients	46		3	(6)	43
SIU General	89		21	(18)	92
Covid-19	137		7	(65)	79
Schwartz Rounds	0		77	(8)	69
Others	246		66	(54)	258
Unrealised (Losses) Profits	80		30		110
	<u>818</u>	<u>0</u>	<u>226</u>	<u>(195)</u>	<u>849</u>
Unrestricted funds	150		55	(132)	73
Unrealised (Losses) Profits	16		6		22
	<u>166</u>	<u>0</u>	<u>61</u>	<u>(132)</u>	<u>95</u>

For clarity and consistency all figures have been shown gross before the allocation of unrealised profits in total.

For the purpose of this analysis, materiality of restricted funds is considered to be funds with a closing balances greater than £30k.

12. Amount held on behalf of associated party

There are no amounts held on behalf of associated party.

13. Related party transactions

Neither the Corporate Trustee nor any member of the NHS Trust board has received honoraria, emoluments or expenses in the year from charitable funds and the Trustee has not purchased trustee indemnity insurance. (2021/22 NIL)

The Charity has made revenue and capital payments to the Southport and Ormskirk Hospital NHS Trust where the Board members also represent the Charity as the Corporate Trustee.

The value of transactions with Southport & Ormskirk Hospital NHS Trust amounted to £255,880 in 2021/22 (£168,238 2020/21). The majority of these transactions related to recharges for equipment / services procured via the Trust's ordering system.

14. Financial instruments

	£000	£000
Cash	166	322
Trade debtors	0	0
Investments	830	783
	<u>996</u>	<u>1,105</u>
Financial liabilities	2022	2021
	£000	£000
Trade creditors	52	6
	<u>52</u>	<u>6</u>

15. Contingent Assets

	2022	2021
	£000	£000
Legacies		53
	<u>0</u>	<u>53</u>

There are no potential legacies that have not been received.

16. Events after the reporting period

There are no adjusting events after the reporting period, however, it should be noted that these Charity accounts have not been consolidated into the main accounts of Southport & Ormskirk Hospital NHS Trust due to materiality. The following text was included in the main Trust accounts:

Although the Charity is under common control of the NHS Trust an assessment of materiality has concluded that the Charity's figures should not be consolidated into the Trust's accounts. There are two elements to the materiality assessment - quantitative and qualitative. Firstly on the quantitative side the value of the Charity's income, expenditure, assets and liabilities all fall below 1% the value of the Trust's. Secondly on the qualitative side omission of the Charity figures in the Trust accounts would not affect a user's understanding of the accounts. As such the Trust has not consolidated the Charity's figures into these accounts as they are not material.

Moving forward the charity's financial strategy is premised on reducing the value of overall funds by supporting departments to implement spending plans and this includes a target to reduce the overall fund balances by 20% in 2022/23.

Independent Examiner's Report to the Trustees of Southport and Ormskirk Hospital NHS Trust Charitable Fund

I report on the financial statements of Southport and Ormskirk Hospital NHS Trust Charitable Fund for the year ended 31 March 2022, which are set out on pages 10 to 18.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the financial statements. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

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

This report, including my statement, has been prepared for and only for the charity's trustees as a body. My work has been undertaken so that I might state to the charity's trustees 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 trustees as a body for my examination work, for this report, or for the statements I have made.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you as trustees 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 financial statements present a 'true and fair view' and the report is limited to those matters set out in the statement below.

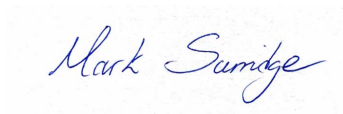
Independent examiner's statement

In connection with my examination, which is complete, no matters have come to my attention which give me reasonable cause to believe that in any material respect:

- accounting records were not kept in respect of Southport and Ormskirk Hospital NHS Trust Charitable Fund in accordance with section 130 of the 2011 Act; or

- the financial statements do not accord with those records; or
- the financial statements do not comply with the applicable requirements concerning the form and content of financial statements set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the financial statements give a 'true and fair' view which is not a matter considered as part of an independent examination.

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



Mark Surridge FCCA
For and on behalf of Mazars LLP
2 Chamberlain Square
Birmingham
B3 3AX

Date: 21 December 2022