

**THE COUNTESS CHARITY
1050015**

**ANNUAL REPORT
AND
FINANCIAL STATEMENTS**

for the year ended 31st March 2021

The Countess Charity

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The Countess Charity
TRUSTEE'S ANNUAL REPORT
FOREWORD

Welcome to our Annual Report for 2020/21. The Corporate Trustee presents the Charitable Funds Annual Report together with the Financial Statements for the year ended 31 March 2021.

The Charity's Annual Report and Accounts for the year ended 31 March 2021 have been prepared by the Corporate Trustee in accordance with the Charities Act 2011 and the Charities (Accounts and Reports) Regulations 2005. The Charity's report and accounts include all the individual funds registered as Designated Funds and Restricted Funds which are used to further the objectives of the Countess of Chester Hospital NHS Foundation Trust. They do not by themselves constitute charities for accounts purposes and do not need to be separately registered.

ADMINISTRATIVE INFORMATION

The Countess Charity, registered Charity Number 1050015 was created under Trust Deed executed on 19 April 1995 in accordance with the Charities Act 1993.

On the 25th July 2017, a supplemental Deed of declaration was made to amend the Charity's name in line with a programme of rebranding. The charity's name was amended from 'The Countess of Chester Hospital NHS Charitable Funds' to 'The Countess Charity'.

The Countess of Chester Hospital NHS Foundation Trust is the Corporate Trustee of the Charitable Funds. The role of Corporate Trustee is therefore carried out by the Board of Directors of the Foundation Trust, the Board being appointed in accordance with the Constitution of the Foundation Trust.

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

Executive Directors

Dr Susan Gilby	Chief Executive Officer
Mr Simon Holden	Director of Finance & Deputy Chief Executive
Dr Darren Kilroy	Executive Medical Director
Mrs Alison Kelly	Director of Nursing & Quality
Alison Lee	Integrated Care Partnership Managing Director
Mrs Alyson Hall	Director of Human Resources & Organisation Development
Mr David Coyle	Chief Operating Officer (from 20th July 2020)
Ms Cara Williams	Chief Digital Information Officer (from 1st May 2020)
Anna Collins	Director of Communications & Corporate Affairs (to 31st May 2020)

Non-Executive Directors

Chris Hannah	Chair (to 31 August 2021)
Ian Haythornthwaite	Chair (from 1st September 2021)
Andrew Higgins	Non-Executive Director
Ros Fallon	Non-Executive Director
David Williamson	Non-Executive Director
Mark Adams	Non-Executive Director
Bridget Fletcher	Non-Executive Director
Paul Jones	Non-Executive Director
Ken Gill	Non-Executive Director (from 11 January 2021)

The members of the Charitable Funds Committee who served during the financial year were as follows:

Paul Jones	Non-Executive Director (Committee Chair)
Chris Hannah	Chair
Dr Susan Gilby	Chief Executive
Simon Holden	Director of Finance
Dr Caroline Stein	Governor

A statement of eligibility to Act as a Trustee is signed by members of the Board of Directors.

Appointment of Corporate Trustee, Induction and Training

The Countess of Chester NHS Hospital Foundation Trust has an Induction Policy for all staff, which is delivered at two levels. Corporate, providing Trust wide information, and local, providing the detail for their department and individual role.

Newly appointed members of the NHS Foundation Trust Board are also given additional information about their responsibilities as the Corporate Trustee which includes the Charity Commission booklet CC3 - Responsibilities of Charity Trustees.

Financial Awareness Training for Charitable Funds provides ongoing training for members of the Corporate Trustee and for Fund signatories.

The Countess Charity
TRUSTEE'S ANNUAL REPORT
WHO WE ARE

The Trust employs over 5,000 staff and provides acute emergency and elective services, primary care direct access services and obstetric services to a population of approximately 264,000 residents mainly in Chester and the surrounding rural area. More than 500,000 patients attend the hospital for treatment every year, ranging from a simple outpatient appointment to major surgery.

The Countess Charity exists to raise funds and receive donations for the benefit of the patients of the Countess of Chester Hospital NHS Foundation Trust. By securing donations, legacies and sponsorship the Charity can make a real difference to the experience of patients and their families and the staff who look after them.

The Countess of Chester NHS Foundation Trust comprises the Countess of Chester Hospital, a 600 bed hospital providing the full range of acute and a number of specialist services, and also Ellesmere Port Hospital, a rehabilitation, intermediate care and outpatient facility.

Principal Office

The principal office for the charity is:
Executive Office

The Countess of Chester Hospital NHS Foundation Trust
Countess of Chester Health Park
Liverpool Road
Chester
CH2 1UL

Bankers:

Lloyds Bank Plc
Chester Branch
8 Foregate Street
Chester
CH1 1XP

Investment Fund Managers

M & G Charities
PO Box 9038
Chelmsford
CM99 2XF

Independent Examiners:

McIntocks (NW) Limited
2, Hillards Court
Chester Business Park
Chester
CH4 9PX

The Countess Charity
TRUSTEE'S ANNUAL REPORT
Charitable Funds Committee

The Charitable Funds Committee has the delegated responsibility from the Board of ensuring that the Funds held on Trust are managed in accordance with the Corporate Governance Manual, and according to Charity Commission regulations.

Governance

The Countess of Chester Hospital NHS Foundation Trust Board approves the Corporate Governance Manual which comprises the documents for the regulation and proceedings of business. These include:

- Standing Orders
- Standing Financial Instructions
- Scheme of Delegation

These documents set the framework within which all Directors and employees of the Trust must operate. These documents apply equally to the Trust's Charitable Funds as to the Foundation Trust. The Board considers that these arrangements ensure that the activities of the Charity are considered and applied in accordance with the strategic and operational objectives of the Corporate Trustee, thus ensuring that the same consistency and openness is applied to all the Trust's funds.

The NHS Foundation Trust Board has devolved responsibility for the on-going management of funds to the Charitable Funds Committee which administers the Funds on behalf of the Corporate Trustee. This Committee has specific terms of reference approved by the Trust Board and the membership comprises the Chair and nominated Executive and Non-Executive Directors of the Trust.

During the Financial Year, the Charitable Funds Committee usually meets on a quarterly basis to monitor the overall appropriateness of expenditure from the funds. The minutes of these meetings are submitted to a full Trust Board.

The Chief Finance Officer is the Executive Director nominated by the Board to have prime responsibility for the administration of the Trust's Charitable Fund activities. All expenditure over £10,000 is reported to the Charitable Funds Committee.

Acting for the Corporate Trustee, the Charitable Funds Committee is responsible for the overall management of the Charitable Funds. The committee is required to:

- Ensure the Charitable Funds of the Trust are invested in accordance with the Charitable Funds Registration lodged with the Charity Commission;
- If required to appoint an Investment Advisor qualified within the meaning of the Trustee Investments Act 1961, provide them with guidance and to annually review their performance;
- To monitor the management and performance of the Countess Charity;
- To make recommendations to the Board of Directors on the nature and frequency of major appeals and to monitor performance;
- To approve the annual Countess Charity Accounts; and
- To ensure adequate processes are in place to approve amendments to the schedule of approved Charitable Funds and to monitor the activity of Charitable Funds in accordance with the Trust's Standing Orders and Standing Financial Instructions and the approved purpose of the individual fund.

The Foundation Trust Finance Department, located at the Principal Office maintains the application process, records all financial transactions and provides a management information service to Fund signatories. The financial records are kept on the main Foundation Trust financial system and Fund signatories receive quarterly fund statements.

The Corporate Trustee fulfils its legal duty by ensuring that funds are spent in accordance with the objects of each fund and by designating funds the Trustee respects the wishes of our generous donors to benefit patient care and advance the good health and welfare of patients, carers and staff. Where funds have been received which have specific restrictions set by the donors a restricted fund has been established. Further details of funds can be found on pages 29 and 30.

The Countess Charity

TRUSTEE'S ANNUAL REPORT

How our activities deliver public benefit

The Countess of Chester Hospital NHS Foundation Trust is the main beneficiary of the charity and is a related party by virtue of being Corporate Trustee of the charity. By working in partnership with the Trust, the charitable funds are used to best effect for the benefit of the public served by the Trust. When deciding upon the most beneficial way to use charitable funds, the Corporate Trustee has regard to the main objectives, strategies and plans of the Trust, whilst ensuring that the grants reflect the wishes of patients and staff.

At the core of every charity is the requirement to provide benefit to the public. This is the foundation of their charitable status, and each charity must demonstrate how this requirement is met through their aims and activities.

The focus of our activities as described below are to benefit the public who utilise the services of the Countess of Chester Hospital NHS Foundation Trust. This hospital mainly serves the community of Chester and its surrounding rural areas, all of which have equal access to its facilities. Charitable expenditure is made by way of direct grants to the Countess of Chester Hospital NHS Foundation Trust to enhance the patient care already provided.

The Trustee refers to Charity Commission guidance on achieving public benefit when reviewing the aims and objectives of the charity, and in the planning of future activities.

During the year the funds continued to provide a wide range of charitable and health related activities to benefit patients, staff and the wider community. Funds are generally used to purchase a range of additional goods and services over and above the NHS provision. This includes medical and other equipment, furniture and fittings to enhance the patient environment.

In addition to the designated funds on page 30, each ward has their own staff and patient charitable funds, and donations are made specifically to the wards that the donors would like to acknowledge. The funds can then be used for charitable activities to benefit the staff and patients on that ward, including investing in staff to attend courses to help update them on new techniques and developments in their individual specialties.

The fundraising team are supporting a number of smaller appeals. The appeals have continued to attract support from individuals, families, companies and members of staff who have offered us their support in a range of inspiring and innovative ways. We have continued to promote the charity within the hospital to staff, patients and visitors using the fundraising noticeboard, and are engaging with new staff through involvement in the staff induction courses.

How we manage the Money

Our Grant Making Policy

The Countess Charity makes grants from both its unrestricted and restricted funds

General Funds - These funds are received with no particular preference expressed by donors. These funds are utilised when applications are made by the Countess of Chester Hospital NHS Foundation Trust for monies to be spent on charitable expenditure which will enhance the patient experience.

Designated (earmarked) Funds - contain donations where the donor expressed a wish that the funds be used within a certain department or specialty without any further constraints. Their nomination of an individual fund is not binding on the Trustee and the designated funds are overseen by fund holders who can make recommendations on how best to spend the money in their specialty.

The Countess Charity TRUSTEE'S ANNUAL REPORT OUR OBJECTS

Governing Document

The Countess of Chester Hospital NHS Trust gained Foundation Trust status in April 2004 following the official passing through Parliament of the relevant statutory instrument. Prior to the creation of the Countess of Chester Hospital NHS Trust, Chester Health Authority administered the various charitable funds as part of a pooling arrangement under the provision of the NHS Act 1973. The charitable monies were transferred to the Trust by Statutory Instrument 1994 No. 1301 which came into effect on 9th June 1994. The Countess of Chester Hospital NHS Foundation Trust is legally recognised by the Charity Commission as Sole Corporate Trustee for all its funds held for the benefit of staff and patients. It is empowered to hold and administer funds for Charitable Health purposes within the scope for the National Health Service Act 2006.

Mission Statement

The Charity aims to use the charitable income it receives to enhance and improve the patient experience at our hospital, focusing on areas not covered or fully supported by NHS funds. The charity aims to generate income for general purposes and specific projects, and administers all donations in a manner that is both professional and sensitive to the needs of the donor.

The charity 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 charitable purposes relating to the general or any specific purposes of the Countess of Chester Hospital NHS Foundation Trust or to purposes relating to the health service"

By raising new funds and careful management of our existing funds, the Countess Charity is able to make grants to the Countess of Chester Hospital NHS Foundation Trust and to the benefit of the wider health service.

Grants are made in accordance with charity law, our fund constitution and the wishes and directions of donors. In making grants, we endeavour to reflect the wishes of patients and staff in spending the funds where they feel the money would be best spent.

Objectives

The charity has income from three different areas

1. Donations received often as a result of care given
2. Active fundraising for a "smaller" appeal
3. Income generated for a "large or major appeal"

Unsolicited donations are targeted at an area of care at the wish of the donor. The fund holder for that area is informed and decisions are taken clinically as to the best way of using the donation. These are usually smaller donations.

The decisions on utilisation of a larger donation such as a legacy would also be the decision of the fund holder with Executive level support.

When seeking to solicit and proactively raise funds for a specific project, the agreed strategy is to consider the various methods of fundraising and then decide upon the most appropriate way of securing funding based on the requirements of each individual project. These methods include: community fundraising, event organisation, grant applications, trust fundraising, corporate fundraising, social media campaigns and direct donor mailings.

For larger or 'major' appeals, the charity sets up a Fundraising Committee incorporating members of the fundraising team, clinical staff, plus internal and external volunteers. The Committees are usually chaired by an external volunteer who is often a high profile member of the business community, whenever possible with a personal involvement in the cause. The committee monitors the fundraising progress and uses its contacts to support the work of the team and organises personal events.

The Countess Charity TRUSTEE'S ANNUAL REPORT

Achievements and Performance Highlights of 2020-21

The effects of Covid-19 were quickly felt by the Trust and the charity. The public and local businesses responded to the television reports of how challenging work was for NHS staff and we received many donations of treats for staff.

The fundraising team set up a "Sharing Hub" in reception which allowed us to process the large amounts of donated goods and distribute them amongst all the teams across the hospital. All donations were recorded so that we could thank the donors and to ensure an auditable trail of the donations. By facilitating the Sharing Hub, it allowed the team to show support for our clinical colleagues and we received many messages of thanks to share how this activity boosted morale at the start of the pandemic when so much was unknown.

In total £50,000 worth of items were donated and shared out to the staff based at the Countess of Chester and Ellesmere Port hospitals.

These included 5000 Easter Eggs from Mars and five pallets of pot noodles from Unilever, shower gel, and hand cream. Additional coffee machines, kettles and microwaves were also very welcome and helped staff to work in their areas and to maintain social distancing. We also received some wonderful cards, messages and pictures of rainbows from local children.

The Fundraising team dealt with all enquires that came to the hospital about donations and this allowed clinical colleagues time to concentrate all their efforts on patient care during a very challenging time.

The additional equipment purchased through the Vital Signs Machines Appeal, the main focus of the charity during 19/20 were distributed to the wards and they were warmly welcomed. We would like to thank everyone that supported this appeal as these additional machines made a real difference at the busiest of times.

On July 1st 2020, the charity launched a new appeal. The Blue Skies Balcony Appeal is raising money to build a balcony to allow very poorly patients on ICU to access the outdoors, see blue skies and feel fresh air on their faces. The public are now aware of what an ICU looks like as there has been so much coverage on the television so in part our explanation for the need has been supported. We are pleased to have the weekly support of our local newspaper The Chester Chronicle as our media partner and regular slots on local radio Dee 106.3.

In March 2020, the trust stopped all nonessential visitors from attending the hospital. This had a wide impact on the Charity as we normally receive a steady flow of donations from visitors and patients who pass through the doors and support the fundraising activities we run in the Trust. In addition, the charity had to suspend the weekly car boot sale which lead to the loss of income from traders who pay to attend.

During this challenging year, the team adapted and moved events online, including hosting a Zumbathon, Quiz, auctions, Marathon, and Santa Dash. Some were more successful than others, but it enabled us to stay connected with the supporters of the charity. This was a learning opportunity and we have made some changes to our working practices that will benefit us in the future.

It was not possible to hold the annual Trees of Life service at the hospitals as in previous years. We shared this decision with donors at the earliest opportunity and instead mailed out a programme for donors to follow as they watched the live light up on the Countess Charity Facebook page. This allowed relatives from across the world to watch and we had viewers in USA and Australia. Donors were pleased we worked to keep this important event going and understood the circumstances.

The Countess Charity has always been an active member of NHSCT (NHS Charities Together) with the Head of Fundraising chairing the North West group of NHS fundraisers. NHSCT were uniquely placed to manage the large volume of donations made by the public and corporate organisations and of the amazing and inspiring contribution of Captain Sir Tom Moore.

At the first opportunity, the charity made applications for funds and organised spending these funds to benefit patients and staff. The charity funded radios to keep patients company and iPads on stands and mobile phones to support communication between patients and family members and between clinical staff and family members, especially important when no visitors were allowed in.

The charity also provided picnic benches and outdoor seating for staff to be able to be outside free of PPE for breaks. Changing areas were also improved with new lockers.

Long term, a bike storage area will be created to encourage staff to cycle to work.

"Thank you" badges were also given to every member of staff to mark their important contribution during the pandemic.

The Countess Charity

TRUSTEE'S ANNUAL REPORT

Achievements and Performance

Highlights of 2020/21 (cont.)

The charity was also pleased to have the opportunity to apply to Bank of America for a donation which was divided between support for staff and an outside space for the new neonatal unit.

In October we launched our rainbow for all key workers appeal in which we asked the public to purchase a heart in a rainbow that we plan to construct in 2021/22. This appeal was extremely popular as it was simple and open to all at a suggested donation of £10. Many corporate supporters purchased hearts and the structure was sponsored by Medicash.

The winter of 2020 was exceptionally busy for the Trust which was hit longest and hardest in the North West by the pandemic. During this time, the charity was unable to organise events to generate income but the Fundraising team were able to help the Trust directly. Some members of the team were able to work in other departments to assist their clinical colleagues whilst others helped make tea for patients to make them as comfortable as possible.

At this time, we started to plan for 2021/22. With the situation so uncertain, we once again looked at the staffing of the team. The arrangements for staff working in other departments were extended and some vacancies arising were not replaced.

Throughout the year the new neonatal unit continued to be developed ready for its opening, funded through the charity's Babygrow Appeal.. The completed unit will open to new patients and families in 2021.

In summary, I would like to acknowledge the amazing staff at the trust for their arduous work in such challenging times. The Countess Charity team are proud to have been able to provide support and care for those working on the front line. The profile of the charity internally is higher because of our work, and we have learned more about the work of the Trust.

As a team, we adapted and learnt and have changed because of what we have experienced. We are more technically skilled and have made use of technology to save time and money. We were fortunate that our Facebook profile enabled us to communicate with donors and them with us in an easy and cost-effective way.

The charity volunteers are vital to the running of the office and to support events. They have yet to return to the office but we have remained in touch with them and they have been enthusiastic supporters of our Facebook activities.

The support we received from the Cheshire and wider community is much appreciated and has allowed us to provide more for our patients and to support and thank all staff at the trust. Thank you to all those who donated to NHSCT and to The Countess Charity during this challenging year.

Future plans

The charity was 25 years old in 2020. Sadly, due to the pandemic the plans in place to celebrate this could not be achieved. We look forward to celebrating 30 years in 2025.

The Blue Skies Balcony Appeal will remain a priority for the team and work with the ICU team to plan and design the balcony has commenced. We plan to take part in the national Big Tea in aid of this appeal.

In 2021, we will unveil the Rainbow for all key workers and will be placing a time capsule at the end of the rainbow containing memories and mementos of the pandemic selected by staff at the trust.

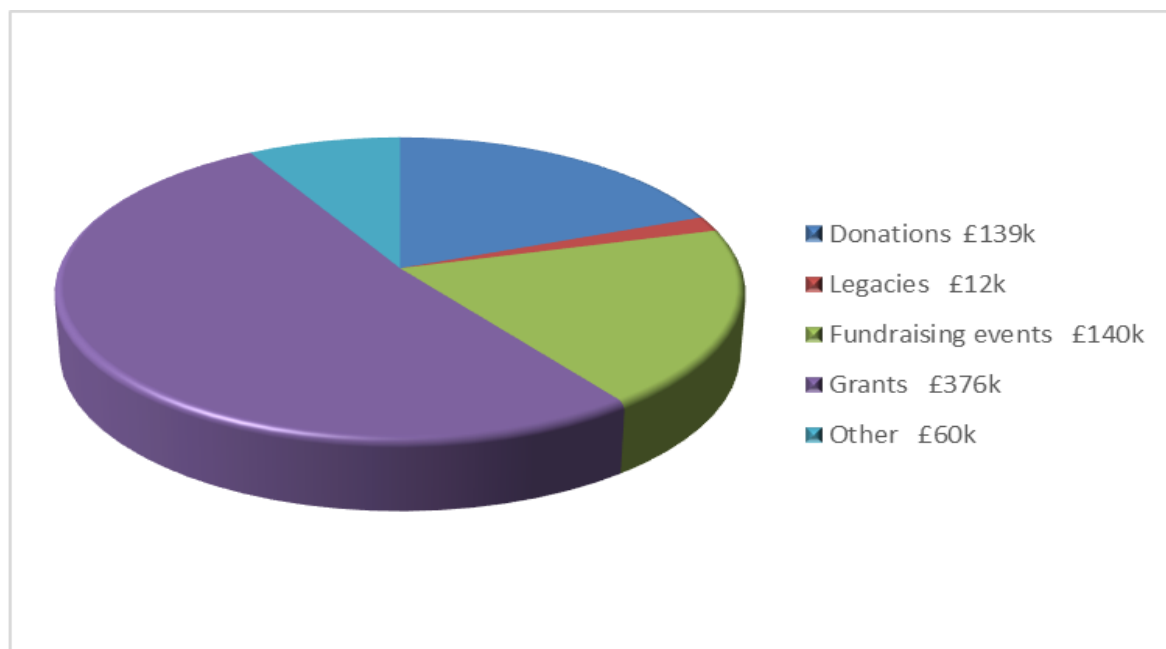
The Countess Lottery provided welcome regular income during a turbulent time and development of this will be a priority in the future. We look forward to the hospital once more settling into business as normal with visitors to promote the charity and fundraise.

The pandemic has demonstrated that the charity has an important and meaningful role to play in the Trust and we look forward to continuing to develop relationships across the Trust and in the community to provide more for our patients.

The Countess Charity
TRUSTEE'S ANNUAL REPORT
FINANCIAL REVIEW

Money Received: Sources of Funds

The statement of financial activities shows the total income for the year was £727,000. This is split into five main sources of income:



While donations and income from fundraising was significantly reduced due to Covid-19, total income this year was higher than in 2019-20. This was mainly due to the high level of grants received through Charities Together. Income from other sources was in line with the previous year.

The Countess Charity
TRUSTEE'S ANNUAL REPORT

FINANCIAL REVIEW

A Review of our Finances and Performance

The net assets of the Charitable Funds as at 31st March 2021 were £1,222,000 (2019/20 £1,061,000), an increase of £161,000 during the financial year.

Total incoming resources this year amounted to £727,000 (2019/20 £564,000). The overall total increased this year due to the grants received from Charities Together but donations and income from fundraising events were negatively impacted by Covid-19. A new appeal was launched in 2020. The Blue Skies Appeal is raising funds to construct a balcony for the Critical Care Unit and received income of £190,000 in 2020/21.

Of the total expenditure of £660,000 (2019/20 £594,000), expenditure on charitable activities was £538,000 (2019/20 £386,000) and expenditure on raising funds was £122,000 (2019/20 £208,000).

Performance of Investments

Since July 2003 The Countess Charity has invested with M&G's Charities Investment Managers Ltd, in a unit trust fund called Charifund. This is designed to provide a high and growing income for charities, whilst at the same time protecting their capital from the erosive effect of inflation. The investment remains for the long term, and does not have a maturity date. Investment income received from M&G was £24,000 (2019/20 £31,000) before deducting management fees.

The gain in the valuation of our unrealised investments with M&G was £94,000 (2019/20 loss of £117,000).

In addition to the long term investments, short term deposits are invested with nominated Commercial Banks. The investment income received from this amounted to £22,000 (2019/20 £28,000).

Purchase of new equipment, new building and refurbishment

This year saw a number of pieces of equipment being purchased through the charitable funds. The total spend on additional medical equipment for the Trust was £295,000 (2019/20 £196,000), a further £51,000 (2019/20 £7,000) was spent on computer equipment and £90,000 (2019/20 £38,000) on furniture and fittings.

Staff Education and Welfare

Each ward has its own staff amenities fund. Donations made specifically to these funds are then utilised for the benefit of the staff. During the year, £24,000 (2019/20 £19,000) was spent on direct staff amenities. These funds also enable consultants and staff to attend additional courses not funded by the NHS, which allows them to keep up to date on modern techniques and developments in their individual specialties. A total of £2,000 (2019/20 £31,000) was spent on staff attending external training courses. These figures are shown in the accounts within grant funded activity.

Patient Education and Welfare

The total spend on direct patient welfare amounted to £7,000 (2019/20 £23,000). This expenditure includes the purchase of garden furniture to provide patients areas where they could enjoy some fresh air and time away from the wards. In addition, the funds were used to support the purchase of Christmas gifts for patients and smaller pieces of medical equipment for the wards.

The Countess Charity
TRUSTEE'S ANNUAL REPORT

FINANCIAL POLICIES

Risk Management

The major risks to which the charity is exposed, as identified by the Corporate Trustee, have been reviewed and systems have been established to manage those risks. Due to the close relationship between the charity and the Countess of Chester Hospital NHS Foundation Trust itself, the charity benefits from the risk and control framework in place at the Foundation Trust.

A specific Charitable Funds risk register categorises risks facing the charitable funds and considers the actions taken to mitigate the risk. The risk policy, and the risks and controls are reviewed by the Charitable Funds Committee every three years.

"Principal risks" are those risks which have a high likelihood of occurring and would, if they occurred, have a severe impact on operational performance, achievement of aims and objectives or could damage the reputation of the charity, changing the way the Trustee, supporters or beneficiaries might deal with the charity.

The Countess of Chester mitigates the principal risks by regularly engaging with the Fundraising Department to ensure a co-ordinated approach to raising funds.

Reserves Policy

The Trustee is under a legal duty to apply charity funds within a reasonable time of receiving them. In order to comply with this duty, the Trustee has developed a reserves policy to explain the level of reserves held and set out how they will be managed.

The reserves policy applies to unrestricted funds, and states that the level of reserves should be sufficient to:

- Ensure stability of grant funding;
Cover between one and three years administration, fund-raising and support costs; and
- Maintain the level of investments at its current level in order to mitigate against significant fluctuations in the levels of donations.

Therefore, the Trustee considers it prudent that the target range of unrestricted reserves is between £500,000 and £1,500,000 to ensure that the charity can run efficiently and meet the needs of its beneficiaries. The Balance Sheet shows that the unrestricted reserves of £557,000 at the end of the financial year are within the range required by the policy.

Restricted funds are excluded from this policy, in accordance with Charity Commission guidance, as they are subject to specific trusts and are not freely expendable at the discretion of the Trustee.

On an annual basis, the funds will be examined to ensure compliance with this reserves policy.

Investment powers and policy

The Trustee's investment powers are governed by the Trust Deed, which permits the charity's funds to be invested in any security listed on the Stock Exchange.

The Investment Policy's aim is to generate a steady income stream to maximise contribution towards the costs of central overheads, while protecting the real value of capital. The policy seeks to obtain the best financial return from the charity's investments, through investing consistently and with commercial prudence. The Trustee is duty bound to act with prudence, and shall not make speculative or hazardous investments. The Trustee should also ensure that there is adequate diversity of investment to minimise the risk of individual institutions performing poorly.

The Trustee should decline to invest in a particular company if its activities are directly contrary to the charitable purposes.

The charity's investments have continued to be managed in line with our Investment Policy and the Trust Deed. The Investment Policy is reviewed every three years.

The main aims of the Policy are:

- That the underlying level of funds available for investment should be split between long term and short term investments; and
- The net income from the investments are distributed over all the funds on an average fund balance basis.

The portfolio of Investments are monitored by the Charitable Funds Committee on a quarterly basis.

The Countess Charity
TRUSTEE'S ANNUAL REPORT

**STATEMENT OF TRUSTEE'S RESPONSIBILITIES IN RESPECT OF THE
TRUSTEES' REPORT AND THE FINANCIAL STATEMENTS**

Under the trust deed of the charity and charity law, the Corporate Trustee is responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations. The trustees have 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 income over expenditure 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 trust deed, 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 trust deed 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.

By Order of the Corporate Trustee

Signed:

Chair



14th December 2021

Ian Haythornthwaite

Trustee



14th December 2021

Dr Susan Gilby

I report to the trustees on my examination of the accounts of The Countess Charity (Charity No: 1050015) for the year ended 31st March 2021, which are set out on pages 13 to 30.

Responsibilities and basis of report

As the charity trustees, you are responsible for the preparation of the accounts in accordance with the Charities Act 2011 ("the Act").

I report in respect of my examination of the Charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination, I have followed all the applicable directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales.

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

- the accounting records were not kept in accordance with section 130 of the Act; or
- the accounts did not accord with the accounting records; or
- the accounts did not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

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



Michael Caputo FCA
McIntocks (NW) Limited
Chartered Accountants
2 Hilliards Court
Chester Business Park
CHESTER
CH4 9PX

14th December 2021

The Countess Charity

Statement of Financial Activities for the year ended 31 March 2021

	Note	Unrestricted Funds 2021 £000	Restricted Funds 2021 £000	Total Funds 2021 £000	Total Funds 2020 £000
Incoming Resources	2				
Income and endowments from:					
Donations and Legacies	2.1	95	432	527	270
Charitable activities	2.2	3	-	3	3
Income from trading activities	2.3	55	95	150	232
Investment income	2.5	31	16	47	59
Total incoming resources		<u>184</u>	<u>543</u>	<u>727</u>	<u>564</u>
Resources Expended					
Expenditure on:					
Raising funds	3.1	(25)	(97)	(122)	(208)
Charitable Activities:					
Grant Funded Activity	3.2	(221)	(317)	(538)	(386)
Total expenditure		<u>(246)</u>	<u>(414)</u>	<u>(660)</u>	<u>(594)</u>
Net incoming/(outgoing) resources		(62)	129	67	(30)
Net gains/(losses) on investments		47	47	94	(117)
Net income/(expenditure)		<u>(15)</u>	<u>176</u>	<u>161</u>	<u>(147)</u>
Transfers between funds	2.4	-	-	-	-
Net movement in funds		<u>(15)</u>	<u>176</u>	<u>161</u>	<u>(147)</u>
Reconciliation of Funds					
Total Funds brought forward		572	489	1,061	1,208
Fund balances carried forward		<u>557</u>	<u>665</u>	<u>1,222</u>	<u>1,061</u>

The notes on pages 16 to 30 form part of these financial statements. All income and expenditure is derived from continuing operations.

The Countess Charity

Balance Sheet as at 31 March 2021

	Notes	Total Funds at 31 March 2021 £000	Total Funds at 31 March 2020 £000
Fixed Assets			
Investments	6.2	<u>503</u>	<u>409</u>
Total Fixed Assets		503	409
Current Assets			
Debtors	7	<u>61</u>	<u>10</u>
Cash and cash equivalents		<u>699</u>	<u>946</u>
Total Current Assets		760	956
Liabilities			
Creditors: Amounts falling due within one year	10	<u>41</u>	<u>304</u>
Net Current Assets		<u>719</u>	<u>652</u>
Total Assets Less Current Liabilities		<u><u>1,222</u></u>	<u><u>1,061</u></u>
Funds of the Charity			
Restricted Income Funds		<u>665</u>	<u>489</u>
Unrestricted Income Funds		<u>557</u>	<u>572</u>
Total Charity Funds		<u><u>1,222</u></u>	<u><u>1,061</u></u>

The notes at pages 16 to 30 form part of this account.

Approved by the Chair of the Board on 14th December 2021

Signed:



Ian Haythornthwaite

The Countess Charity

Cashflow	Note	Total Funds 2020-21 £000	Total Funds 2019-20 £000
Cash flows from operating activities:			
Net Cash provided by (used in) operating activities	9	(294)	98
Cash flows from investing activities:			
Interest from investments		47	59
Net cash provided by (used in) investing activities		47	59
Change in cash and cash equivalents in the reporting period		(247)	157
Cash and cash equivalents at the beginning of the reporting period		946	789
Cash and cash equivalents at the end of the reporting period		699	946

The Countess Charity

Notes to the Account

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 at the Balance Sheet date. The financial statements have been prepared in accordance with the Charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)

The trust constitutes a public benefit entity as defined by FRS 102.

The Trustee considers that there are no material uncertainties about the Countess Charity's ability to continue as a going concern.

In future years, the key risks to the Countess Charity are a fall in income from donations or investment income, but the Trustee has arrangements in place to mitigate those risks (see the risk management and reserves sections of the annual report for more information).

The financial statements are prepared in pound sterling (£).

The Countess Charity

1.3 Incoming Resources

- a) All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donations are recognised when the Charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

- b) **Legacies**

Legacies are accounted for as incoming resources on a case by case basis once the receipt of the legacy is probable.

Receipt is probable when:

- i) Confirmation has been received from the representatives of the estate(s) that probate has been granted;
 - ii) The executors have established that there are sufficient assets in the estate to pay the legacy; and
 - iii) All conditions attached to the legacy have been fulfilled or are within the charity's control.
- c) Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by our investment advisor of the dividend yield of the investment portfolio.

- c) **Gifts in Kind**

Gifts in kind, such as food and care packages are not accounted for when they are accepted and immediately distributed unless a donation is material. A donation is considered material if the individual items are valued at more than £20 each.

Gifts of tangible assets such as microwaves and coffee machines are recognised as a donation at fair value (market price) on receipt and charitable expenditure when they are distributed

Where gifts in kind are held before being distributed to beneficiaries, they are recognised at fair value as stock until they are distributed.

The Countess Charity

1.4 a) Expenditure Recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings. For more information on this attribution, refer to note (b) below.

Grants payable are payments made to the Countess of Chester Hospital NHS Foundation Trust which is classed as a related party, in furtherance of the charitable objectives of the funds held on trust. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the one-year or multi-year grant. Grant awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attaching to that grant is outside of the control of the Charity.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty as to the timing of the grant or the amount of grant payable.

b) Allocation of Support and Governance Costs

Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees.

Governance costs and support costs relating to charitable activities have been apportioned between costs of raising funds and expenditure on charitable activities on a proportional basis. The allocation of support and governance costs is analysed in note 3.

c) Expenditure on Raising Funds

The costs of generating funds includes the direct costs associated with running fundraising events, staff salaries and office costs, investment management fees, and the support and governance costs associated with these activities. Further details are shown in note 3.1

d) Expenditure on Charitable Activities

Costs of charitable activities include grants made to the Countess of Chester NHS Foundation Trust to support the purchase of equipment, training and other activities as well as the support and governance costs associated with these activities. Further details are shown in note 3.2

The Countess Charity

1.5 Irrecoverable VAT

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

1.6 Funds Structure

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

Funds where the capital is held to generate income for charitable purposes and cannot itself be spent are accounted for as endowment funds. The Countess Charity has four funds which are classed as restricted, with a further eighteen funds having an element of their balance classed as restricted. This is due to funds receiving grants and legacies with associated restrictions. The charity has no endowment funds.

Unrestricted income funds comprise those funds which the Trustee is free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds earmarked by Trustees, where the donor has made known their non-binding wishes, as outlined explicitly on the donation receipt form.

Transfers between funds are approved by the Charitable Funds Committee in line with agreed expenditure procedures and in accordance with the Standing Financial Instructions.

Details of the funds are shown on page 30.

1.7 Fixed Asset Investments

Investments are a form of basic financial instrument. They are initially recognised at their transaction value and are subsequently measured at their fair value (market value). The Statement of Financial Activities includes the net gains and losses arising on revaluation during the year.

The Investment Fund Units are included in the Balance Sheet at the closing valuation at 31 March 2021.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

1.8 Realised Gains and losses

All realised 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).

The Countess Charity

1.9 Tax

The Countess Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010, and therefore it meets the definition of a charitable trust for UK income tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Part 10 income Tax Act 2007 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

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, usually in 90 day notice 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.

Amounts which are owed in more than a year are shown as long term creditors.

1.13 Prior year comparatives by type of fund

The primary statements provide prior year comparatives in total, pages 21 and 22 provides prior period comparatives for the Statement of Financial Activities and the Balance Sheet for each of the two types of fund that the Countess Charity manages.

1.14 Related Party Transactions

The Countess of Chester Hospital NHS Foundation Trust body is the Corporate Trustee of the Countess Charity. The patients of which are the main beneficiaries of the charity.

The charity has made revenue and capital grant payments to the Countess of Chester Hospital NHS Foundation Trust.

In 2020/21, the expenditure on charitable activities was £538,000 (2019/20: £386,000) of which £221,000 (2019/20: £206,000) was expenditure from unrestricted funds and £317,000 (2019/20: £180,000) was expenditure from restricted funds to the Corporate Trustee, the Countess of Chester Hospital NHS Foundation Trust

None of the Corporate Trustee members has undertaken any transactions with the Countess of Chester Hospital NHS Foundation Trust or received any benefit from the charity in payment or kind.

The Countess of Chester Hospital NHS Foundation Trust makes a number of clerical transaction services available to the charity.

These include:

Fundraising services and office costs of £110,000 (£179,000 in 2019/20) - see note 3.1

Administrative services at a cost of £27,000 (£25,000 in 2019/20) in support of the charity's grant making activities which are included within support costs - see note 3.3

The charity is able to utilise the finance system in place within the Trust to facilitate payments to suppliers and to record other amounts owing between the two organisations. The payments to suppliers are made by the Trust on behalf of the charity and they are subsequently reimbursed. The outstanding balance of £36,000 at 31st March 2021 is included on the balance sheet as a debtor - see note 7.

The Countess Charity

Prior year comparatives by type of Fund

Unrestricted Funds - Statement of Financial Activity for the year ended 31 March 2021

	Unrestricted Funds 2020-21 £000	Unrestricted Funds 2019-20 £000
Incoming Resources		
Income from:		
Donations and legacies	95	138
Charitable activities	3	3
Other trading activities	55	42
Investments	31	47
Total Incoming resources	184	230
Resources Expended		
Expenditure on:		
Raising funds	(25)	(98)
Charitable activities:		
Grant Funded Activities	(221)	(206)
Total expenditure	(246)	(304)
Net incoming/(outgoing) resources	(62)	(74)
Net gains/(losses) on investments	47	(68)
Net income/(expenditure)	(15)	(142)
Transfers between funds	-	-
Net Movement in funds	(15)	(142)
Reconciliation of Funds		
Total funds brought forward	572	714
Total funds carried forward	557	572
Unrestricted Funds - Balance Sheet as at 31 March 2020		
	2020-21 £000	2019-20 £000
Fixed Assets:		
Investments	226	244
Total Fixed Assets	226	244
Current Assets:		
Debtors	39	9
Cash and cash equivalents	314	565
Total Current Assets	353	574
Liabilities:		
Creditors falling due within one year	22	246
Net Current asset/(liabilities)	331	328
Total Assets less Current Liabilities	557	572
Total Unrestricted Funds	557	572

The Countess Charity

Prior year comparatives by type of Fund

Restricted Funds - Statement of Financial Activity for the year ended 31 March 2021

	Restricted Funds 2020-21 £000	Restricted Funds 2019-20 £000
Incoming Resources		
Income from:		
Donations and legacies	432	132
Charitable activities	-	-
Other trading activities	95	190
Investments	16	12
Total Incoming resources	543	334
Resources Expended		
Expenditure on:		
Raising funds	(97)	(110)
Charitable activities:		
Grant Funded Activities	(317)	(180)
Total expenditure	(414)	(290)
Net incoming/(outgoing) resources	129	44
Net gains/(losses) on investments	47	(49)
Net income/(expenditure)	176	(5)
Transfers between funds	-	-
Net Movement in funds	176	(5)
Reconciliation of Funds		
Total funds brought forward	489	494
Total funds carried forward	665	489
Restricted Funds - Balance Sheet as at 31 March 2020		
	2020-21 £000	2019-20 £000
Fixed Assets:		
Investments	277	165
Total Fixed Assets	277	165
Current Assets:		
Debtors	22	1
Cash and cash equivalents	385	381
Total Current Assets	407	382
Liabilities:		
Creditors falling due within one year	19	58
Net Current asset/(liabilities)	388	324
Total Assets less Current Liabilities	665	489
Total Unrestricted Funds	665	489

The Countess Charity

2 Incoming Resources

2.1 Income from Donations and Legacies

	Unrestricted Funds £000	Restricted Funds £000	Total 2020-21 £000	Total 2019-20 £000
Donations	83	56	139	179
Grants Received	-	376	376	72
Legacies	12	-	12	19
	95	432	527	270

Donations from individuals are gifts from members of the public, relatives of patients and staff. During the year, many local businesses and members of the community have generously donated food, toiletries and other items in response to the Covid-19 pandemic. The Countess Charity is very grateful to all those who supported us during this time.

While the Charity received many donations of goods from the community, only donations of goods with an individual value of more than £20 have been accounted for as income and expenditure within the accounts. These totalled £6,200. All goods were distributed to staff during the year.

2.2 Charitable Activities

	Unrestricted Funds £000	Restricted Funds £000	Total 2020-21 £000	Total 2019-20 £000
Charitable Trading	3	-	3	3
Total	3	0	3	3

Charitable trading in 2020-21 relates to the sale of specialised clothing to patients attending the Breast Care Unit.

2.3 Other Trading Activities

	Unrestricted Funds £000	Restricted Funds £000	Total 2020-21 £000	Total 2019-20 £000
Fundraising events	55	85	140	231
Corporate Sponsorship	-	10	10	1
Total	55	95	150	232

2.4 Transfers between Funds

There were no interfund transfers in this reporting period

The Countess Charity

2.5 Role of Volunteers

Fund advisors - there are over 100 Countess of Chester Hospital NHS Foundation Trust staff who manage how the charity's designated funds should be spent. These funds are designated (or earmarked) by the Trustee to be spent for a particular purpose or in a particular ward or department. Each fund advisor has delegated powers to spend the designated funds that they manage in accordance with the Trustee wishes and in accordance with the fund purpose. All expenditure is approved by the Trust's finance department prior to commitment to ensure that the spend is in accordance with the governing documents and that the money is available in the fund.

Due to social distancing measures, lockdowns and other necessary precautionary measures, we have been unable to welcome our volunteers to the Trust during 2020-21. The role of volunteers will continue to be vital in our future activities and we look forward to being able to include our volunteers in these activities once again.

All volunteers have a staff member as a point of contact and are aware of their responsibilities. The office volunteers form part of the rota so we require a commitment from them.

Our volunteers are recruited and managed in line with The Countess of Chester Hospital NHS Foundation Trust policies.

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.

2.6 Investment Income

	Unrestricted Funds £000	Restricted Funds £000	Total 2020-21 £000	Total 2019-20 £000
Short term investments and deposits	15	7	22	28
and cash on deposit	16	9	25	31
Unit Trust Fund Income	31	16	47	59

The Countess Charity

3 Resources Expended

3.1 Analysis of expenditure on raising funds

	Unrestricted Funds	Restricted Funds	Total 2020-21	Total 2019-20
	Direct Costs £000	Direct Costs £000	£000	£000
Fundraising Office	24	86	110	179
Fundraising events	0	10	10	25
Investment Management	1	1	2	2
Support costs	0	0	0	2
Total	25	97	122	208

3.2 Analysis of expenditure on charitable activities

	Unrestricted Funds		Restricted Funds		Total 2020-21	Total 2019-20
	Grant Funded Activity £000	Support Costs £000	Grant Funded Activity £000	Support Costs £000	£000	£000
Training	2	0	0	0	2	33
Equipment	169	12	267	11	459	257
Building	0	0	25	1	26	38
Other	35	3	13	0	51	58
Total	206	15	305	12	538	386

The Charity does not make grants to individuals. All grants are made to the Countess of Chester Hospital NHS Foundation Trust to provide for the care of NHS patients in furtherance of our charitable aims. The total cost 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 is disclosed in note 3.2.

All support costs are initially apportioned between restricted and unrestricted funds on an average balance basis, reflecting the charges allocated against the funds during the year. Support costs are subsequently apportioned to categories of expenditure based on the levels of expenditure for each category as a percentage of the overall expenditure.

3.3 Allocation of Governance and Support Costs

Allocated to:

	Raising Funds £000	Charitable Activities £000	Total 2020-21 £000	Total 2019-20 £000
Governance Costs:				
Independent Examiners Fee	0	2	2	1
Management charge	0	2	2	2
Support Costs:				
Financial Services	0	23	23	24
Total	0	27	27	27

The Countess Charity

4 Analysis of Staff Costs

	Total 2020-21 £000	Total 2019-20 £000
Salaries and wages	79	133
Social security costs	7	11
Employers pension contribution	12	21
	98	165
Average monthly number of staff in the year:	5	5

No employees had emoluments in excess of £60,000 (2019/20 none)

Staff costs relate to employees of the related party - the Countess of Chester Hospital NHS Foundation Trust. Due to Covid-19, a number of fundraising staff worked in other departments within the Trust at the beginning of the year and their costs were not charged to the Charity during this time. This led to a reduction in staffing costs compared to the prior year. The Directors of the Countess of Chester Hospital NHS Foundation Trust do not receive any remuneration or reimbursement of expenses from the Charity.

5 Independent Examiner

The independent examiner's fee of £1,800 (2019/20 £1,800) related solely to the examination with no other additional work undertaken.

The Countess Charity

6 Analysis of Fixed Asset Investments

	31 March 2021	31 March 2020
	Total	Total
6.1 Movement in Fixed Asset Investments:	£000	£000
Market value at 1 April	409	526
Unrealised gain/(loss) on revaluation	94	(117)
Market value at 31 March	<u>503</u>	<u>409</u>
Historic cost at 31 March	<u>353</u>	<u>353</u>

6.2 Market value:

	Held in UK	31 March 2021	31 March 2020
	£000	Total	Total
		£000	£000
Investments in a Common Investment Fund	503	503	409
	<u>503</u>	<u>503</u>	<u>409</u>

All investments are held at fair value.

All the Fixed Assets investments are held in a Common Investment Fund with M&G Investments. The main risk from these financial instruments lies in the combination of uncertain investment markets and volatility in yield. The main principle of the investment policy is to protect the real value of capital and generate a steady income stream to maximise contribution towards the costs of central overheads. The investments continue to grow at a steady rate whilst maintaining an increase in investment income year on year.

The valuation of the investment was adversely affected at the end of the previous financial year due to market volatility associated with the Covid-19 pandemic however, the fund value has recovered over the course of 2020-21. The investment is benchmarked on a regular basis and this will continue to be monitored as the economic impact of the pandemic progresses.

6.3 Investment Management Costs

The investments in the M&G unit trust fund incurs an annual charge of 0.47% of the average balance of the funds held by them.

6.4 Analysis of Cash and Cash Equivalents

	31 March 2021	31 March 2020
	£000	£000
Cash in hand	699	946
Notice deposits (less than 3 months)	0	0
Total Cash and Cash Equivalents	<u>699</u>	<u>946</u>

The notice deposits are sums held on interest bearing deposit fixed term deposits with the National Loans Fund. No cash or cash equivalents or current asset investments were held in non-cash investments or outside of the UK.

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

The Countess Charity

7 Analysis of Debtors

	31 March 2021 £000	31 March 2020 £000
Amounts falling due within one year:		
Trade Debtors	-	-
Accrued income	61	10
Total debtors falling due within one year	61	10

Within accrued income is an amount of £36,000 representing sums owed by the Countess of Chester Hospital NHS Foundation Trust to the charity relating to adjustments through the intercompany account as at 31st March 2021.

8 Cash at Bank and in Hand

	31 March 2021 £000	31 March 2020 £000
Bank balances at 1 April	946	789
Net change in year	(247)	157
Cash and cash equivalents in the statement of cash flows at 31 March	699	946

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

	31 March 2021 £000	31 March 2020 £000
Net income/(expenditure) as per the Statement of Financial Activities	161	(147)
Gains/losses on investments	(94)	117
Dividends and interest from investments	(47)	(59)
Decrease / (increase) in debtors	(51)	2
Increase / (decrease) in creditors	(263)	185
Net cash provided by (used in) operating activities	(294)	98

10 Analysis of Creditors

	31 March 2021 £000	31 March 2020 £000
Amounts falling due within one year:		
Other creditors	-	214
Accruals	41	90
Total creditors falling due within one year	41	304

Other creditors represent sums owed at the year end by the charity to a related party, the Countess of Chester Hospital NHS Foundation Trust.

11 Contingent Asset

There are no contingent assets to declare for this financial period.

The Countess Charity

FUND STATEMENTS AND OBJECTIVES

TYPE OF FUND	31 Mar 2021 £	31 Mar 2020 £	DETAILS ON PAGE
General Purpose Fund	159,743	140,637	29
Restricted Funds	614,412	485,807	29
Designated Funds	445,466	527,351	30
Cumulative Unrealised (Loss)/Gain on investments	2,189	(92,459)	
	1,221,810	1,061,336	

The unrealised loss on investments has been allocated between restricted and unrestricted funds on a percentage of the total balance at the 31st March 2020 as shown on the Balance Sheet in Total Funds.

UNRESTRICTED GENERAL PURPOSE FUNDS

Held by the Countess of Chester NHS Charitable Funds

The General Purpose Fund income is generally available for the benefit of patients, their families and staff.

Name of Fund	Purpose	Fund Balance Bfwd 31 Mar 2020 £	Income £	Expenditure £	Interfund transfers £	Cumulative Unrealised Gains & Losses £	Fund Balance Cfwd 31 Mar 2021 £
Countess General Fund	General Purposes	140,637	79,936	(60,830)		(12,762)	146,982
Total Unrestricted General Purpose Funds		140,637				(12,762)	146,982

RESTRICTED FUNDS

Held by the Countess of Chester NHS Charitable Funds

Name of Fund	Purpose	Fund Balance Bfwd 31 Mar 2020 £	Income £	Expenditure £	Interfund transfers £	Cumulative Unrealised Gains & Losses £	Fund Balance Cfwd 31 Mar 2021 £
Chester Cardiac Fund	Support and improve cardio respiratory services. Staff amenities	112,770	-	(39,873)		5,996	78,893
Critical Care Unit	To benefit Critical Care including Staff & Patient Amenities	21,260	-	-		1,749	23,009
The Babygrow Appeal	To build and equip a new neonatal unit - surplus to 9091	66,602	36,385	(85,146)		1,468	19,309
Trees Of Life	To improve bereavement care	16,595	9,359	(7,207)		1,542	20,289
Small Appeal - Breast Scanner	Purchase of ultrasound scanner for the Breast Care Unit	22,180	1,163	(2,710)		1,697	22,330
Small Appeal - Memory Lane	Enhance Wards 50 & 51, which specialise in elderly care	43,248	3,244	(14,961)		2,594	34,125
Small Appeal - Cardiac Equipment	Fund purchase of cardiac equipment	36,145	1,895	(3,572)		2,835	37,303
Small Appeal - Eyesight Appeal	Fund ophthalmology improvements	14,987	1,940	(1,611)		1,260	16,576
Small Appeal - EPR Appeal	To provide Vital Signs Monitors	107,635	15,819	(121,373)		171	2,252
Charities Together Fund	To utilise monies granted from Charities Together	-	199,992	(82,845)		9,636	126,783
Blue Skies Balcony Appeal	To fund the construction of a balcony for Intensive Care patients to access	-	190,340	(44,289)		12,014	158,065
Grants & Legacies Fund	Neonatal development	-	75,000	(4,508)		5,798	76,290
Other restricted funds		44,384	7,832	(6,268)		3,780	49,728
Total Restricted Funds		485,806				50,539	664,951

Restricted Funds

The restricted funds have arisen as they are appeals funds and therefore the donors have an expectation that the funds will be spent in the way advertised in the fundraising literature. Once the appeal targets have been reached the remaining funds will be unrestricted to enable the Trustees to utilise the funds in accordance with the objects of the charitable funds.

Restricted funds also arise when a legacy bequest is received, and the legator bequeaths the funds for a specific purpose. These funds are held as restricted funds until the legacy is fully expended.

In addition, the charity applies to grant making bodies for funding to purchase equipment or to support ongoing appeals. These grants are often restricted in nature and only allow us to use the funding in line with the application submitted to the grant making body. These grants are held as restricted until the funding is fully utilised

The Trustee set an opening or closing balance of £10,000 or above as the threshold for the separate reporting of material restricted funds.

The Countess Charity

DESIGNATED FUNDS

Held by the Countess of Chester NHS Charitable Funds

Name of Fund	Purpose	Fund Balance Bfwd 31 Mar 2020	Income	Expenditure	Interfund transfers	Cumulative Unrealised Gains & Losses	Fund Balance Cfwd 31 Mar 2021
		£		£		£	£
Chester Cardiac Fund	Support and improve cardio respiratory services. Staff amenities	29,228	6,483	-		(2,853)	32,858
Coronary Care Unit	Equipment & staff training	43,157	3,453	(3,994)		(3,405)	39,211
Critical Care Fund	To benefit Critical Care including Staff & Patient Amenities	12,761	10,481	(13,871)		(749)	8,622
Grant Fund	Receive legacies and administer grants from external grant-making bodies	57,614	7,754	(52,117)		(1,059)	12,192
Haematology and Oncology Fund	Benefit the haematology and oncology suite and provide staff & patient amenities	56,309	6,919	(5,380)		(4,621)	53,227
Neonatal Fund	Funds for the purpose of the neonatal unit. Staff amenities	19,717	4,714	(16,637)		(623)	7,171
Palliative Care	For the ongoing improvement including education and research	10,451	5,259	(1,585)		(1,128)	12,997
Patients Amenities	Benefit of patients at Countess of Chester Hospital	81,814	8,189	(9,753)		(6,411)	73,839
Renal Dialysis Unit Fund	Purchase of equipment for Dialysis Unit, Staff and Patient amenities	15,881	1,773	(3,647)		(1,119)	12,888
Staff Amenities	Benefit of staff at Countess of Chester Hospital	15,640	12,101	(10,989)		(1,338)	15,414
Vascular Surgery	Research expenses & audit	19,314	2,205	(1,798)		(1,576)	18,145
Other unrestricted funds		165,465	34,660	(66,105)		(10,707)	123,313
Total Unrestricted Funds		<u>527,351</u>				<u>(35,588)</u>	<u>409,877</u>