



**The Queen Elizabeth Hospital King's Lynn Charitable Fund**

**Annual Report and Accounts for the year ended 31 March 2021**

**Registered Charity Number : 1051327**

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# Trustees Annual Report

## Foreword

The Trustees present the annual report and accounts of the Queen Elizabeth Hospital King's Lynn Charitable Fund for the year ended 31 March 2021. The accounts have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015. The Charity's report and accounts include all the separately established funds for which The Queen Elizabeth Hospital NHS Foundation Trust (Corporate Trustee) is the sole beneficiary.

The members of The Queen Elizabeth Hospital NHS Foundation Trust (the Trust) Board who served during the financial year were as follows:

Professor Steve Barnett	Chairman
Caroline Shaw	Chief Executive
Laura Skaife-Knight	Deputy Chief Executive
Chris Benham	Director of Finance
Frankie Swords	Medical Director
Carmel O'Brien (from 14-March-21)	Chief Nurse
Dr April Brown (to 13-March-21)	Chief Nurse
Denise Smith	Chief Operating Officer
Elizabeth McManus (to 31-Aug-20)	Chief Nurse
Alan Brown	Non-executive
David Dickinson	Non-executive
Dr Ian Mack	Non-executive
Graham Ward	Non-executive
Dr Claire Fernandez (from 1-July-20)	Non-executive
Jacquie Schneider (to 29-Jan-21)	Non-executive
Simon Roberts	Non-executive

The Trustees present the Charitable Funds Annual Report together with the Audited Financial Statements for the year ended 31 March 2021.

## Reference and administrative details of the Charity, its Trustees and Advisors

### Constitution

The Charity was entered on the Central Register of Charities on 8<sup>th</sup> of December 1995. This is the umbrella Charity under which some 95 individual funds are managed. The notes to the accounts distinguish the types of funds held and disclose separately all of the material funds.

Gifts and donations received by the Charity are accepted, held and administered as funds held on trust for purposes relating to the health service in accordance with the National Health Service Act

2006 and the National Health Service and Community Care Act 1990 and these funds are held on trust by the Corporate Trustee.

The Queen Elizabeth Hospital NHS Foundation Trust is the Corporate Trustee of the Charity.

Members of the Trust Board (excluding the non-executive directors) have day-to-day responsibility for the management of the Charity and approve, on behalf of the Corporate Trustee, all expenditure over £5,000. The Trustees appoints fund managers who can approve expenditure up to £5,000.

### **Principal Office**

Finance Department  
The Queen Elizabeth Hospital King's Lynn NHS Foundation Trust (QEH)  
Gayton Road  
King's Lynn  
Norfolk  
PE30 4ET

### **Principal Professional Advisers**

#### **Banker**

National Westminster Bank  
4 Tuesday Market Place  
King's Lynn  
Norfolk  
PE30 1LE

#### **Auditor**

KPMG LLP (UK)  
Botanic House  
100, Hills Road  
Cambridge  
CB2 1AR

#### **Investment**

CCLA Investment Management Ltd  
COIF Charity Funds  
80 Cheapside  
London  
EC2V 6DZ

### **Structure, Governance and Management**

The Charity was established using the Model Declaration of Trust and all funds held on trust as at the date of registration were either part of this unrestricted fund or registered as separate restricted funds under the main charity. Subsequent donations and gifts received by the Charity that are attributable to the original funds are added to those fund balances within the existing Charity. Where funds have been received which have specific restrictions set by the donor, new restricted funds have been established.

The charitable funds available for spending are allocated to specialties within the Trust's directorate management structure. Therefore, each ward/department may have its own designated restricted or unrestricted funds within the Charity umbrella.

The Trust has four endowment funds in total for which only the income received from its investment can be spent; there is no power to convert the capital into income. Three of the endowment funds are held on deposit, while the Waley Trust is invested with CCLA Investment Management Ltd.

Members of the Trust Board are the Charitable Funds Committee and are not individual Trustees under Charity law but act as agents on behalf of the Corporate Trustee. The NHS Appointments Commission appoints the non-executive members of the Trust Board, while the executive members of the Board are appointed by the Trust Board.

New members of the Trust Board are invited to read and understand a selection of Charity Commission booklets and are given access to the past reports and accounts, minutes and other relevant documentation.

In so far as the Trust Board is aware, there is no relevant audit information of which the auditors are unaware. The Trust Board has taken all the steps that ought to have been taken in order to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The Corporate Trustee is responsible for the overall management of the charitable funds. It is required to:

- Control, manage and monitor the use of the funds resources.
- Provide support, guidance and encouragement for all its income raising activities whilst managing and monitoring the receipt of all income.
- Ensure that 'best practice' is followed in the conduct of all its affairs fulfilling all of its legal responsibilities.
- Maintain financial records, which disclose, at any time, the financial position of the funds held on Trust, applying appropriate accounting policies on a consistent basis.
- Establish and monitor a system of internal control.
- Establish arrangements for the prevention and detection of fraud and corruption.
- Make judgements and estimates, which are reasonable and prudent.

## Risk Management

The Charity assesses and scores risks against a set methodology. Risks are reported to the Trust Board via a sub-committee along with mitigations and actions. The Trustees use the Framework contained in the Charity Commission publication 'Charities and Risk Management' to identify potential sources of risk.

The Charity Trustees have given consideration to the major risks to which the Charity is exposed and have satisfied themselves that systems and procedures are established in order to manage those risks.

Internal audit provide assurance over the internal controls, transactions and processes and report their findings to the Trustees.

## Objectives and Activities

### The objective

The Charitable fund has NHS wide objectives as follows

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

### Our Aim

The Charity aims to fully support the Trust to achieve a high quality of patient care, welfare and to support its staff. Enable more patients to be treated more effectively, efficiently and quickly. The Queen Elizabeth Hospital King's Lynn Charitable Fund (The Trust) is a valuable source of income and support to the hospital.

## Partnership working and networks

The Charity's aim is to enable more patients to be treated more quickly, effectively and more efficiently.

The Charity achieves this aim by raising funds that are then utilised to improve services and existing facilities provided at the Queen Elizabeth Hospital in ...

The Trust is the sole 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 and so when deciding upon the most beneficial way to use Charitable funds, the Corporate Trustee has regard to the main activities, objectives and plans of the Trust. 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 Corporate Trustee respects the wishes of our generous donors to benefit patient care and advance the good health and welfare of patients, carers and staff.

The Charity remains indebted to the work of our volunteers who support the hospital each year, and to the League of Friends for their support.

## Our Activities

During the year, the Charity continued to support a wide range of charitable and health related activities benefiting both patients and staff. In general terms, the funds are used to purchase the varied additional goods and services that the NHS is unable to provide.

The Ward charitable fund receives donations given to thank the nursing staff. These are used for charitable activities that will benefit staff, which in turn will benefit the patient care and support provided. These donations enable staff to attend courses that are not funded by the Trust.

The General Fund receives donations and legacies that can be used for any charitable purpose relating to the Trust.

For further details of the public benefit derived from the Charitable Fund's activities please see the overview of its achievements, performance and financial position section below.

## Public Benefit

The Charity confirms that the Corporate Trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties. Throughout this report, the Charity has demonstrated that it acts for the public benefit.

## Reserves Policy

The Charity has established a policy whereby unrestricted funds held as cash, not committed or invested should cover all foreseen and planned expenditure based on the normal level of activity. Funds retained in excess of this may be invested in accordance with the Investment Policy (see below).

The majority of the funds are designated for use within specific wards and departments within the Trust either for patients, staff or equipment; this is to enable funds, as far as possible, to be spent in line with donor's wishes.

The funds support the hospital in a variety of ways, further information regarding future planned expenditure can be found below.

### Investment Policy

The Trust has an Investment Policy, with an aim to give clear guidelines to the Trustees in managing the funds of the Charity and to ensure proper and timely review and monitoring of investment performance. The Trustees will:

- Ensure working capital requirements are met by a reasonable cash balance in an instant access bank account.
- Invest funds in a way which will both preserve their capital value and produce a return consistent with prudent investment.
- Not place the funds at risk by speculative investment.
- Invest money in common investment funds, split between equity and non-equity.
- Not invest funds in a particular company if it carries out activities which are directly contrary to the Charity's purpose and therefore, against its interests and those of the beneficiaries.
- Seek expert advice from qualified investment managers as necessary.
- Review and monitor performance.

### **Overview of achievements, performance and financial position**

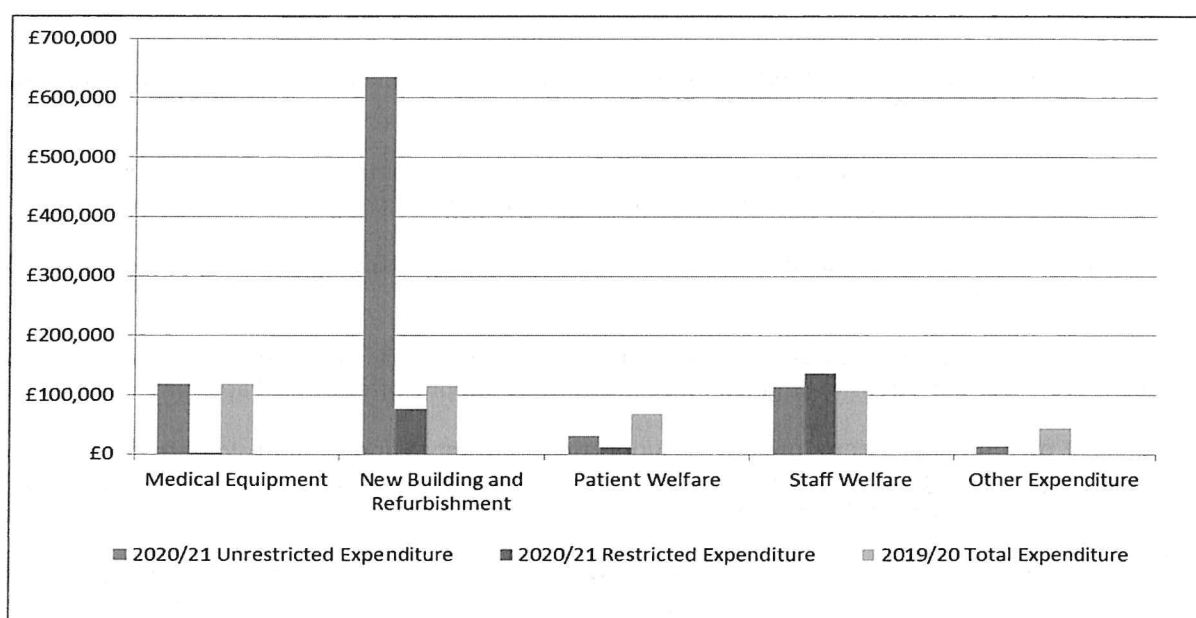
The net assets of the Charity for the year 2020-2021 were £3.29 million (2019-20 £3.58m), a decrease of 9%. This is as a result of total incoming resources for the year decreasing to £756,000 (2019-20 £2,297,000), primarily as a result of the Covid-19 pandemic. Total expenditure increased from £553,000 in 2019/20 to £1,241,000 in 2020/21. This is mainly due to the spend committed for the construction of the Wellbeing Centre and the Maternity bereavement suite.

The Charity has four endowments amounting to £45,000; the value of these will not change unless further endowments are received. The income derived from the endowment capital funds are credited to their respective expendable funds, all four are restricted.

During the year there was a gain of £198,000 in the market value of the investments held with CCLA Investment Management Limited.

The number of charitable funds held under the Queen Elizabeth Hospital Kings Lynn Charitable Fund umbrella has decreased in the current financial year to 95 (2020 – 101).

The charitable work was made up of the following five programme areas:



In the financial year the Charity has spent a total of £121,000 on medical and surgical equipment. Items purchased include:

- Optical coherence tomography (OCT) machine - £57,000
- Brevera biopsy system for the breast unit - £40,000
- Bililux with radiometer for the neo-natal ICU - £5,000
- Clement Clarke portable slit lamp for Ophthalmology unit - £5,000
- Airway Management Trainer kit for resuscitation training - £5,000

During the year a total of £721,000 was committed to spend on new building projects and refurbishments aiming to provide more comfortable surroundings for patients and staff. From these, £603,000 has been committed to the new Cancer Wellbeing & Support Centre and £58,000 has been committed to the Maternity Bereavement Suite.

The charity has funded the re-development work on a new Cancer Wellbeing and Support Centre during the year which was completed in May 2021. This will enable the Trust to expand non-clinical cancer services, in conjunction with MacMillan Support and Information Services, and strengthen support for patients and their families following a cancer diagnosis.

A further £250,000 of charitable funds has been used to support nursing staff during the Covid-19 pandemic, and staff welfare and engagement activities.

### **Covid grants**

Our Covid-19 recovery grants from NHS Charities Together continue to support the recovery and mental health of NHS staff throughout the Queen Elizabeth Hospital Kings Lynn NHS Foundation Trust. £108,000 has been spent on additional clinical psychologist services to support our staff mental health and wellbeing. During the year four separate grants were received from this organisation totalling £158,600.

First grant £56,500 – was transferred to the Trust to cover the salary of a clinical psychologist on a full-time post for 12-months on a fixed-term contract. The Highly Specialist Clinical Psychologist joined the Trust on 8 September 2020.

Second grant - £50,000 for a cognitive behavioural therapist working on a 12 month fixed-term contract to deal with post-traumatic stress disorder.

Third grant, £2,100 was received in association with Starbucks to fund ten leisure memberships for staff members.

Fourth grant, £50,000 – To Improve patient experience through the purchase of laptops, tablets, and other IT devices for wards and dementia clocks.

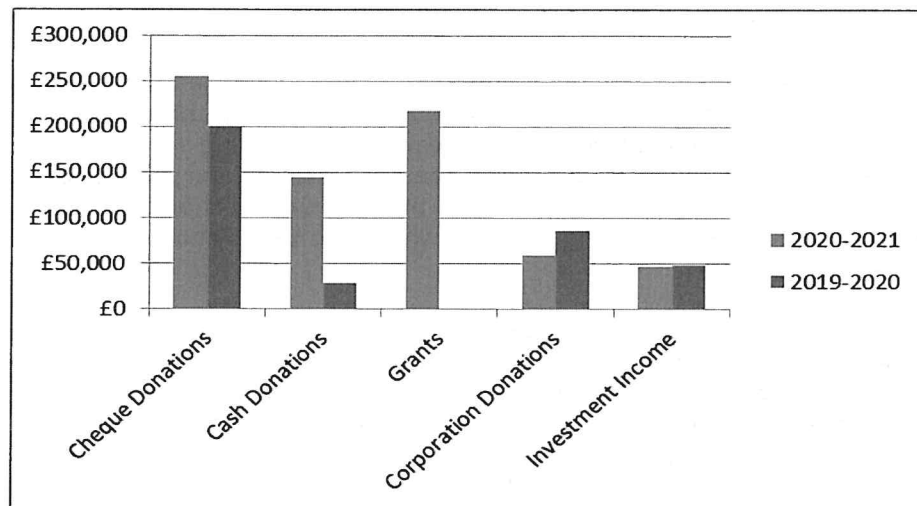
A further source of Covid related income came from the community who actively fundraised, organised virtual events, set up their own JustGiving fundraising pages.

The Trust also received donations via its own COVID-19 JustGiving campaign page as well as cheques, BACS payments, etc.

Moreover, the supportive local community, members of the public and businesses rallied round and gave numerous donations in kind, e.g. free meals, food supply, offer of free accommodation, etc.

£44,000 of funds have been utilised in supporting and improving patient welfare. This has been used on purchasing wheelchairs, specialist falls prevention and management equipment, patient engagement projects, and Christmas presents for patients.

The chart below shows our main sources of income this year and last year. Our largest source of income continues to be gifts and donations from the public, either direct or through corporate giving.



- As well as making monetary donations, the community also continues to support the hospital by purchasing gifts via the Amazon Wish List. We ran a pilot scheme with one of our wards:

#### Rudham Children's ward Amazon Wish List

The Amazon Wishlist started running in December 2020 and is proving to be very successful. We have received hundreds of gifts from patients, parents, staff, the general public and local companies, ranging from small toys, colouring books and crayons through to a shop, multi-sensory toys and TV's.

A number of parents commented that they had previously wanted to donate to the Ward but hadn't been able to as they felt they couldn't afford to. They thought the Amazon Wishlist was an ideal way for them to say thank you, as they could spend as little as £2.00 and contribute to a gift in the knowledge that they were buying something the Ward really needed. We even had some young patients wanting to buy something with their pocket money.

The generosity and kindness shown has been overwhelming at times for the Ward staff and we all as a team, would like to thank everybody who so kindly donated.

We will look at the possibility of extending the scheme to other wards according to demand.

#### Our future plans

As with all the Charitable funds expenditure the aim is to help improve the care and experience for hospital patients, whether this is through investing in the training and welfare of staff, funding refurbishment projects or purchasing equipment. This work will continue throughout 2021/22 with our plans to purchase further items of equipment to benefit patients and continuing our support to staff to further their education, enabling them to introduce and perform new techniques in patient care.

- The Maternity Bereavement Suite Appeal was chosen as The Lynn News Charity of the Year. The fundraising target is £185,000 and we continue to work towards this objective. The scheme is to create a dedicated area for families from our community who tragically lose their babies either during or shortly after birth. The Maternity Bereavement Suite will provide a welcoming facility for patients and families, away from the Waterlily Birth Centre and maternity department. It will give them the opportunity to create precious memories. Having a suite in a homely environment will make a positive difference to the experience of parents who are going through their most difficult time after their loss. The proposed layout for the Suite and the completion of the project will give patients and their families a private space to spend precious time with their baby. In order to generate enough room for the scheme, the new area will be created by reconfiguring some of the maternity footprint. There will be a bedroom area, nursery space, rest area with refreshment facilities and an en-suite shower room.

- The Staff engagement scheme was introduced at the QEH during the year. Further plans in the following year will see us working with a new Staff App providing staff with a closed and secure platform to talk to each other and share information when they want to. It will offer a key digital channel for the staff to communicate instantly through chat and news feed features, increasing opportunities for engagement and fostering a closer working environment where we can work together to provide the best care for our patients using a system and information that supports people, processes, timely communication and learning. This App is a great way to empower and engage staff whilst also improving communication, workplace satisfaction and build
- With funding from NHS Charities Together the Trust wants to provide tools to assist patients to maintain contact with their families and friends. This is essential for the wellbeing of patients and their families. This proposal will reach out to many inpatients to support them to communicate with their family and friends whilst visiting is restricted due to the COVID-19 pandemic. When visiting is re-introduced this equipment will be useful to support virtual visiting for patients with relatives not able to come into the hospital either due to location (they live a long way away) or choice (they may be anxious, immunosuppressed or not able to come in due to other family commitments).

The purchase of such equipment will enhance the experience of our patients in the Trust both inpatients (tablets to undertake virtual visiting and time /day and date clocks) and outpatients (tablets to support the hard of hearing to understand staff when they come to the front entrance through the use of voice to text app).

### **Statement of Trustees responsibilities in respect of the Trustees annual report and the financial statements**

Under the trust deed of the charity and charity law, the trustees are responsible for preparing a Trustees' Annual Report and the financial statements in accordance with applicable law and regulations. The trustees are required to prepare the financial statements in accordance with UK Accounting Standards, including 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 incoming resources and application of resources for that period.

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

- 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;
- assess the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

The trustees are required to act in accordance with the trust deed [and the rules] of the charity, within the framework of trust law. They are responsible for keeping accounting records which are sufficient to show and explain the charity's transactions and disclose at any time, with reasonable accuracy, the financial position of the charity at that time, and to enable the trustees 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 are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and 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.

The trustees are responsible for the maintenance and integrity of the financial and other information included on the charity's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

### **Going concern**

The Trustees of the Charity have reviewed its financial position, taking into account the longer-term projections made by its management, current levels of reserves and cash (including short-term investments), and concluded that the Charity has sufficient access to resources to remain in operation for at least the next 12 months from the date of this report.

The Trustees of The Charity therefore consider it is appropriate to continue to adopt the going concern basis of accounting in preparing the annual financial statements.

### **Disclosure of Information to auditor**

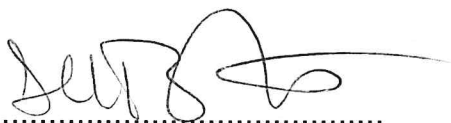
The Officers of the Trustee who held office at the date of approval of this Trustees report confirm that, so far as they are each aware, there is no relevant audit information of which the Charitable Fund's auditor is unaware; and each officer has taken all the steps that he ought to have taken as an Officer of the Trustee to make himself aware of any relevant audit information and to establish that the Charitable Fund's auditor is aware of that information.

### **A final thank-you**

On behalf of the staff, carers and patients who have benefited from improved services due to donations and legacies, the Corporate Trustee would like to thank all patients, relatives, staff and various organisations that have made charitable donations during the year.

Approved by the Corporate Trustee.

Signed: .....



Date: 2 November 2021

Professor Steve Barnett

## **Independent auditor's report to the Trustees of The Queen Elizabeth Hospital King's Lynn Charitable Fund**

### **Opinion**

We have audited the financial statements of The Queen Elizabeth Hospital King's Lynn Charitable Fund ("the charity") for the year ended 31 March 2021 which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2021 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

### **Basis for opinion**

We have been appointed as auditor under section 144 of the Charities Act 2011 (or its predecessors) and report in accordance with regulations made under section 154 of that Act.

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the charity in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

### **Going concern**

The trustees have prepared the financial statements on the going concern basis as they do not intend to liquidate the charity or to cease its operations, and as they have concluded that the charity's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the trustees' conclusions, we considered the inherent risks to the charity's business model and analysed how those risks might affect the charity's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the trustees' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the charity will continue in operation.

### **Fraud and breaches of laws and regulations – ability to detect**

#### *Identifying and responding to risks of material misstatement due to fraud*

To identify risks of material misstatement due to fraud ("fraud risks"), we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of management and inspection of documentation as to the entity's high-level policies and procedures to prevent and detect fraud.
- Reading Board meeting minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition. However, due to the nature of the income received by the charity we have rebutted the fraud risk in relation to revenue recognition.

Within the Charities sector, auditors also consider the risk that material misstatements due to fraudulent financial reporting may arise from the manipulation of expenditure recognition and therefore an additional risk has been identified in relation to this. Due to the nature of the expenditure recognised by the Charity, this risk has been limited to expenses which do not relate to transfers to the The Queen Elizabeth Hospital King's Lynn NHS Foundation Trust.

We performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted to unusual accounts combinations;
- Agreeing a sample of expense transactions back to relevant invoices and supporting documentation.

*Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations*

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the Trustees and other management (as required by auditing standards). We discussed with the Trustees and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Charity is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including the Charities SORP) and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: health and safety, anti-bribery, and certain aspects of charity legislation, recognising the nature of the Charity's activities and its legal form. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

*Context of the ability of the audit to detect fraud or breaches of law or regulation*

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remains a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

**Other information**

The trustees are responsible for the other information, which comprises the Trustees' Annual Report. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion on, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. We are required to report to you if:

- based solely on that work, we have identified material misstatements in the other information; or

- in our opinion, the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements.

We have nothing to report in these respects.

### **Matters on which we are required to report by exception**

Under the Charities Act 2011 we are required to report to you if, in our opinion:

- the charity has not kept sufficient accounting records; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

### **Trustees' responsibilities**

As explained more fully in their statement set out on page [number], the trustees are responsible for: the preparation of financial statements which give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

### **The purpose of our audit work and to whom we owe our responsibilities**

This report is made solely to the charity's trustees as a body, in accordance with section 144 of the Charities Act 2011 (or its predecessors) and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

*SBeavis*

**Stephanie Beavis**  
for and on behalf of KPMG LLP, Statutory Auditor

*Chartered Accountants*

*KPMG LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006*

Dragonfly House  
2 Gilders Way  
Norwich  
NR3 1UB  
23 December 2021

## Statement of Financial Activities (SOFA) for the Year to 31 March 2021

	Notes	2020-2021				2019-2020
		Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total Funds £'000	Total Funds £'000
Donations	2	229	447	-	676	315
Legacies	2	33	-	-	33	1,934
<b>Total Donations &amp; Income</b>		<b>262</b>	<b>447</b>	<b>-</b>	<b>709</b>	<b>2,249</b>
Investment Income		39	8	-	47	48
<b>Total Incoming Resources</b>		<b>301</b>	<b>455</b>	<b>-</b>	<b>756</b>	<b>2,297</b>
Purchase of Medical Equipment	3	119	2	-	121	118
New Building and Refurbishment	3	636	76	-	712	115
Patient Welfare	3	32	12	-	44	69
Staff Welfare	3	114	136	-	250	108
Other Expenditure	3	14	-	-	14	45
<b>Total Expenditure on Charitable Activities</b>		<b>915</b>	<b>226</b>	<b>-</b>	<b>1,141</b>	<b>455</b>
Cost of Generating Voluntary Income	4	37	4	-	41	42
Management / Governance Costs	4	53	6	-	60	56
<b>Total Resources Expended</b>		<b>1,005</b>	<b>236</b>	<b>-</b>	<b>1,241</b>	<b>553</b>
Net Income Before Transfers		(704)	219	-	(485)	1,744
Gross Transfers		(145)	145	-	-	-
<b>Net Incoming/Outgoing Resources</b>		<b>(849)</b>	<b>364</b>	<b>-</b>	<b>(485)</b>	<b>1,744</b>
Gains/Losses on Reval/Disposal of Investment	8	132	66	-	198	(24)
<b>Net Movements in Funds</b>		<b>(717)</b>	<b>430</b>	<b>-</b>	<b>(287)</b>	<b>1,720</b>
Fund Balances at Year Start		3,213	325	45	3,583	1,863
<b>Fund Balances c/f at Year End</b>		<b>2,496</b>	<b>755</b>	<b>45</b>	<b>3,296</b>	<b>3,583</b>

Charity Registration number: 1051327

All operations are continuing

The notes on page 18 to 25 form an integral part of these financial statements.


## Balance Sheet as at 31 March 2021

	Notes	Unrestricted Funds £'000	2020-2021 Restricted Funds £'000	Endowment Funds £'000	Total Funds £'000	2019-2020 Total Funds £'000
<b>Net Assets</b>						
<b>Fixed Assets</b>						
Long Term Investments	8	-	330	21	351	285
Investments	8	1,381	-	-	1,381	1,249
<b>Total Fixed Assets</b>		<b>1,381</b>	<b>330</b>	<b>21</b>	<b>1,732</b>	<b>1,534</b>
<b>Current Assets</b>						
Debtors	9	333	-	-	333	569
Cash at Bank and in Hand		1532	425	24	1981	1542
<b>Total Current Assets</b>		<b>1865</b>	<b>425</b>	<b>24</b>	<b>2314</b>	<b>2111</b>
<b>Creditors</b>						
Amounts Falling Due Within One Year	10	(750)	-	-	(750)	(62)
<b>Total Creditors</b>		<b>(750)</b>	<b>-</b>	<b>-</b>	<b>(750)</b>	<b>(62)</b>
<b>Net Current Assets</b>		<b>1,115</b>	<b>425</b>	<b>24</b>	<b>1,564</b>	<b>2,049</b>
<b>Total Net Assets</b>		<b>2,496</b>	<b>755</b>	<b>45</b>	<b>3,296</b>	<b>3,583</b>
<b>Funds</b>						
Income Funds : Unrestricted Funds		2,496	-	-	2,496	3,213
Income Funds : Restricted Funds		-	755	-	755	325
Capital Funds : Endowment Funds		-	-	45	45	45
<b>Total Funds</b>		<b>2,496</b>	<b>755</b>	<b>45</b>	<b>3,296</b>	<b>3,583</b>

Charity Registration number: 1051327

The notes on pages 18 to 25 form part of these accounts.

Approved by the Corporate Trustee on 2 November 2021 and signed on its behalf

by 

Professor Steve Barnett

Date: 2 November 2021

## Cash Flow Statement as at 31 March 2021

		2020-2021 £'000	2019-2020 £'000
	Note 6		
<b>Cash generated from operating activities:</b>			
Net cash provided by (used in) operating activities	6.1	392	1,221
<b>Cash flows from investing activities:</b>			
Dividends, interest and rents from investments		47	48
<b>Total Cash flows from other sources:</b>		47	48
<b>Application of cash:</b>			
<b>Net increase/(decrease) in cash:</b>		439	1,269
<b>Cash at 1 April</b>		1,542	273
<b>Cash at 31 March</b>	6.2	1,981	1,542

Charity Registration number: 1051327

## **Note 1: Accounting policies**

### **(a) Accounting convention**

The charity is a public benefit entity and the functional currency is Pounds Sterling (£).

The financial statements have been prepared under the historical cost convention, as modified for the revaluation of certain investments, and in accordance with applicable United Kingdom accounting standards, the Charities Statement of Recommended Practice Charities SORP (FRS 102 effective 1 January 2019, and the Charities Act 2011). The Trustees have a reasonable expectation that it has adequate resources to continue activities for the foreseeable future. Accordingly the accounts have been prepared under a going concern basis.

### **(b) Incoming Resources**

(i) All incoming resources are included in full in the statement of financial activities as soon as the following three factors can be met:

- entitlement – arises when a particular resource is receivable or the Charity's right becomes legally enforceable;
- certainty – when it is virtually certain that the incoming resource will be received;
- measurement – when the monetary value of the incoming resources can be measured with sufficient reliability.

(ii) Cash donations are recognised as income in the statement of financial activities, once they have been received by the cashiers.

(iii) Legacies are included in incoming resources once they have been received or receipt becomes reasonably certain. This will be once confirmation has been received from the representatives of the estate, that payment of the legacy will be made or property transferred and once all conditions attached to the legacy have been fulfilled. It is an estimate based on the latest information received from the executors.

(iv) Cash collected from fundraising events is included in the statement of financial activities upon receipt.

(v) Endowment fund income is included in the statement of financial activities when it is received. Three out of the four endowment funds held in the Charity are restricted (Waley Trust, Warrington N and Shephard), while the General endowment fund is unrestricted.

### **(c) Resources expended**

The accounts are prepared in accordance with the accruals concept. All expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party.

#### **- Charitable Activities**

The costs listed under Charitable activities on the SOFA, consist of the following activities; purchase of medical equipment, new building and refurbishment, patient experience, staff welfare and other expenditure such as computer equipment.

#### **- Management and Governance Costs**

Management and administration costs cover the Charity's expenses, which consist of staff costs, internal and external audit fees, insurance, IT support and general office charges.

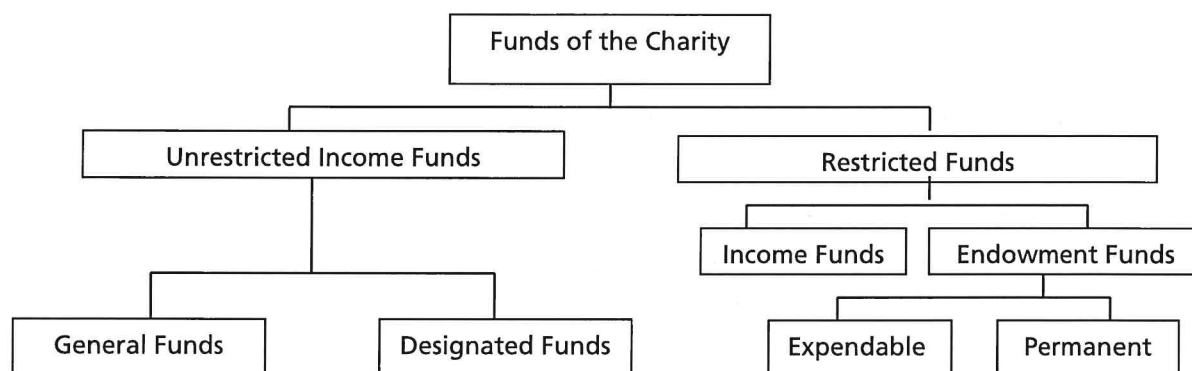
- Costs of Generating Voluntary Income

The cost of generating voluntary income relates to the costs incurred in the Charity's fundraising activities, including that of the fundraising executive. These costs are apportioned to the General Fund following a Trustee decision in 2021.

- Other Policies

Irrecoverable VAT is included in the relevant cost headings on the face of the Statement of Financial Activities and not shown as a separate item.

**(d) Structure of funds**



All of the unrestricted funds, including the designated funds, are available for any charitable purpose relating to the NHS, but are wholly or mainly for the stated purpose contained in the fund title, in recognition of the non-binding wishes of donors. The only unrestricted fund which has no designations is the General Fund, which is available for any charitable purpose at the discretion of the Trustee.

Restricted funds defined as donations that require the funds to be used in a specific way, or for a specific purpose. Restricted income funds are subject to specific Trusts, which may be declared by the donors or with their authority or created through legal process, but still within the wider objects of the Charity.

**(e) Investments**

(i) Investment assets (i.e. stocks/shares) are shown as required by the Statement of Recommended Practice at the mid-market price, ex-div, at the Balance Sheet date. Net gains or losses are summarised in note 8 of the accounts.

(ii) 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).

(iii) All investments are made in accordance with the Charity's investment policy, which minimises any risk.

**(f) Cash at Bank**

Cash at bank and in hand records balances in bank accounts, whether interest bearing or not.

**(g) Cash Flow Statement**

A cash flow statement has been produced in accordance with FRS 102.

#### (h) Pooling Scheme

An official pooling scheme is operated for investments relating to the following schemes:

Patients' Fund, General Fund, Staff Fund.

The scheme was registered with the Charity Commission on 13<sup>th</sup> March 1998.

#### (i) Transfers between funds

Transferring between funds is generally not allowed but in certain circumstances and with approval from the Trustees this may be authorised.

In the event of a ward closure or a fund closing any remaining balance will be transferred to a fund of similar purpose.

#### (j) Trustee's remuneration

The Board members receive no remuneration or expenses in respect of the administration of the funds.

#### (k) Indemnity insurance

The fund has purchased insurance to indemnify the Trustee or other officers against the consequences of any neglect or default on their part.

### Note 2: Analysis of Total Voluntary Income

<u>Donations</u>	2020-2021				2019-2020	
	Unrestricted	Restricted	Endowment	Total	Total	Funds
	Funds	Funds	Funds	Funds	Funds	
	£'000	£'000	£'000	£'000	£'000	
Cheque Donations	73	182	-	255	200	
Cash Donations	42	102	-	144	29	
Grants	59	159	-	218	-	
Corporation Donations	55	4	-	59	86	
<b>Total</b>	<b>229</b>	<b>447</b>	<b>-</b>	<b>676</b>	<b>315</b>	

<u>Legacies</u>	2020-2021				2019-2020	
	Unrestricted	Restricted	Endowment	Total	Total	Funds
	Funds	Funds	Funds	Funds	Funds	
	£'000	£'000	£'000	£'000	£'000	
Legacies	33	-	-	33	1,934	
<b>Total Legacies</b>	<b>33</b>	<b>-</b>	<b>-</b>	<b>33</b>	<b>1,934</b>	

### Note 3: Analysis of Charitable Expenditure

	2020-2021				2019-2020
	Unrestricted	Restricted	Endowment	Total	Total
	£'000	£'000	£'000	£'000	£'000
Purchase of Medical Equipment	119	2	-	121	118
New Building and Refurbishment	636	76	-	712	115
Patient Welfare	32	12	-	44	69
Staff Welfare	114	136	-	250	108
Other Expenditure	14	-	-	14	45
<b>Total Expenditure on Charitable Activities</b>	<b>915</b>	<b>226</b>	<b>-</b>	<b>1141</b>	<b>455</b>
Management / Governance Costs	46	6	-	52	48
Indemnity Insurance	2	-	-	2	2
Governance Costs	5	-	-	5	6
<b>Total Management/Governance costs</b>	<b>53</b>	<b>6</b>	<b>-</b>	<b>59</b>	<b>56</b>
<b>Total Expenditure and M&amp;A costs</b>	<b>968</b>	<b>232</b>	<b>-</b>	<b>1200</b>	<b>511</b>
Cost of Generating Voluntary Income	37	4	-	41	42
<b>Total Resources Expended</b>	<b>1005</b>	<b>236</b>	<b>-</b>	<b>1241</b>	<b>553</b>

#### Explanation of direct charitable expenditure headings.

- Medical/Surgical equipment – This includes all medical and surgical equipment.
- Expenditure on 'new building and refurbishment' includes the cost of upgrading the hospitals facilities and surroundings making them more comfortable for patients.
- Patients Welfare – Any expenditure that is for patients benefit only, i.e. additional/complimentary support from professional services (including massage, reflexology, counselling etc), Christmas gifts and toys for the children and information booklets and brochures.
- Staff Welfare – Any expenditure that is staff related, i.e. training courses, conferences, Christmas parties, staff welfare and engagement activities and educational books.
- Other expenditure - Any expenditure, including office, computer software and hardware, cleaning equipment, additional staffing costs, catering services and accrued audit fees is included in here.

### Note 4: Analysis of Management and Governance Costs

	Patients Welfare	Staff Welfare	Medical / Surgical Equipment	New Building and Refurbishment	Other	Total cost for 2020-2021	Total cost for 2019-2020
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Management Costs	1	3	2	12	-	18	18
Administration costs	1	6	4	21	-	32	30
Governance costs	1	6	5	25	1	38	5
Other costs	-	1	1	4	-	6	7
<b>Total Management costs</b>	<b>3</b>	<b>16</b>	<b>12</b>	<b>62</b>	<b>1</b>	<b>94</b>	<b>60</b>
Cost of Generating Voluntary Income	-	1	1	4	-	6	38
<b>Total Manag. &amp; Govern. Costs</b>	<b>3</b>	<b>17</b>	<b>13</b>	<b>66</b>	<b>1</b>	<b>100</b>	<b>98</b>

Support costs are allocated across the funds as follows, 50% of the costs incurred are allocated as a fixed charge, the remaining 50% is apportioned on the average balance basis. The Fundraiser costs amount to £38,000. Cost of generating voluntary income are allocated to the General Fund

## Note 5: Resources expended

A share of donations received into the Cancer Care and Treatment Fund is allocated to Macmillan Cancer Relief in agreement with the Charity Commission. For the current financial year this was £3,894 (2019-20 - £8,594).

## Note 6: Cash Flow

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

	2020-2021 £'000	2019-2020 £'000
Total Donations & Income	709	2,249
Total Resources Expended	(1,241)	(553)
<b>Net operating expenditure</b>	<b>(532)</b>	<b>1,696</b>
(Increase)/decrease in debtors	236	(489)
(Decrease)/increase in creditors	688	14
<b>Net cash provided by (used in) operating activities</b>	<b>392</b>	<b>1,221</b>

### 6.2: Analysis of cash at bank and in hand less overdrafts

	2020-2021 £'000	2019-2020 £'000
Cash at bank and in hand	1,981	1542
Overdrafts included in bank loans and overdrafts falling due	-	-
<b>Total Cash at bank and in hand</b>	<b>1981</b>	<b>1542</b>

## Note 7: Movement in funds

1. The Cancer Care and Treatment Fund, Breast Care Fund, Diabetes Fund, Rudham Ward Equipment Fund, Palliative Care Nurse Support Fund, and the Kidney Fund are material designated funds for use in their own areas.
2. The General Fund is used for any charitable purpose at the discretion of the Trustees.
3. QEH Medical / Surgical fund – This includes donations / legacies for general use within the hospital to purchase any equipment whether medical or surgical.
4. The QEH Medical Directorate's fund and Other Acute funds (Others) include the remaining designated funds from each directorate.

## Note 8: Long Term Investments - Analysis of COIF

Analysis of COIF Value	2020-2021 £'000	2019-2020 £'000	Gain/Loss £'000
Queen Elizabeth Hospital King's Lynn Charitable Fund (Income Units)	46	38	8
Queen Elizabeth Hospital King's Lynn Charitable Fund (Income Units)	83	69	14
Queen Elizabeth Hospital King's Lynn Charitable Fund (Accumulation Units)	222	178	44
<b>Total:</b>	<b>351</b>	<b>285</b>	<b>66</b>

Analysis of COIF Charities Investments	2020-2021 £'000	2019-2020 £'000	Gain/Loss £'000
COIF Charities Fixed Interest Fund (Income Units)	564	572	(8)
COIF Charities Investment Fund (Income Units)	817	677	140
<b>COIF Investment Total:</b>	<b>1,381</b>	<b>1,249</b>	<b>132</b>
<b>Grand Total</b>	<b>1,732</b>	<b>1,534</b>	<b>198</b>

COIF: Charities Official Investment Fund

## Note 8.1: Investments - Analysis of gross income from investments

	2019-2020 £'000	2019-2020 £'000
Interest on cash held on deposit account (Natwest) and CCLA	46	46
Investments in a Common Investment Fund (fixed asset investment)	1	2
<b>Total</b>	<b>47</b>	<b>48</b>

## Note 9: Analysis of debtors (Under 1 year)

	2020-2021 Unrestricted Funds £ '000	2020-2021 Restricted Funds £ '000	Total Funds £ '000	2019-2020 Total Funds £ '000
Accrued income (Gift Aid)	17	-	17	23
Other Debtors (Legacies)	316	-	316	546
<b>Total Debtors for the Year</b>	<b>333</b>	<b>-</b>	<b>333</b>	<b>569</b>

#### **Note 10: Analysis of Creditors: amounts falling due within one year**

	2020-2021	2019-2020
	£ '000	£ '000
Other Creditors as at 31/03/2020	23	43
Amount due to Related Party	724	16
Cancer Relief Provision	3	3
<b>Total Creditors for the Year</b>	<b>750</b>	<b>62</b>

#### **Note 11: Forthcoming Projects**

The Charity has a number of projects that it is intending to support in 2021/22. The forecast expenditure on these projects is £749,000. This has not been recognised as expenditure in the financial statements as the Charity has not entered into a contractual commitment for these projects.

#### **Note 12: Related Party Transactions**

During the year none of the Trust Board or members of the key management staff or parties related to them has undertaken any material transactions with The Queen Elizabeth Hospital King's Lynn Charitable Fund.

Board members (and other senior staff) take decisions both on Charity and Exchequer matters, but endeavour to keep the interests of each separate and do not seek to benefit personally from such decisions. Declarations of personal interest have been made in both capacities and are available to be inspected by the public.

The Charitable Trust has made revenue and capital payments amounting to £876,000 to the Trust, where the board members also act as the Corporate Trustee of the Charitable Fund. At 31 March 2021 the Charity owed the Trust £724,000 (2020 £16,000) The Financial Statements of the Trust are included in its annual report.

#### **Note 13: Auditor Remuneration**

The external auditors remuneration for the current year is £7,800 (2020 £5,820). This relates solely to the audit with no other additional work undertaken and is included in the accounts within Management / Governance Costs.