

# **BLACKPOOL TEACHING HOSPITALS CHARITABLE FUND AND RELATED CHARITIES**

Registration Number 1051570

## **ANNUAL REPORT & FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2021**

**2020/21**



**YOUR LOCAL NHS CHARITY**

BLACKPOOL TEACHING HOSPITALS CHARITABLE FUND AND RELATED CHARITIES

(Charity Commission Registration Number 1051570)

ANNUAL REPORT  
&  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021  
2020/21

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## Objectives and Activities

Blackpool Teaching Hospitals Charitable Fund and Related Charities is registered with the Charity Commission (registered Charity number 1051570) in accordance with the Charities Act 2011. The Charity Commission approved the use of a working name, Blue Skies Hospitals Fund in 2007.

In partnership with Blackpool Teaching Hospitals NHS Foundation Trust (The Trust), this Charity enhances the provision of first-class patient care for public benefit. It supports the provision of healthcare, free at the point of need and cares for staff, patients, carers and families by focusing on areas not covered, or fully supported, by central NHS funds. Blue Skies Hospitals Fund exists to support the best in healthcare and medical research at the Trust. Its aim is to help the Trust become world class, in patient care.

The Charity has the following objectives:

- To ensure that grant making activities are in line with the priorities of the Charity and the Trust.

*Monitoring has continued throughout 2020/21 to ensure that grants approved meet the objectives of the Charity through quarterly meetings of the Charitable Funds Committee and the Corporate Trustee meetings which follow.*

- To continue to engage with the Fund Advisors, ensuring they are making sound decisions when authorising charitable expenditure and encouraging them to proactively identify opportunities to utilise charitable funds to enhance patient care in their areas.

*We continue to review the Fund Advisors to ensure the funds remain the responsibility of the most appropriate individuals and that they continue to make sound decisions concerning the expenditure of those funds.*

- To monitor all expenditure from charitable funds is conducted in a timely and efficient manner and that all expenditure aligns with Charity governance and best practice as determined by the Charity Commission.

*Throughout 2020/21, all expenditure following a successful funding application was monitored by Blue Skies Hospitals Fund, to ensure compliance with Charity governance and best practice.*

- To increase unrestricted monies through appeals, grant applications and corporate partnerships.

*During the pandemic we set up a Covid appeal and secured grants through NHS Charities together, as well as local businesses donating their goods for the benefit of the staff, this has then in turn given us new partnerships going forward.*

- To continue to promote Blue Skies Hospitals Fund as the primary fundraising vehicle for the Trust both internally and externally by proactively engaging with patients, staff and volunteers as well as businesses, groups, schools, members of the community and the local media.

*Whilst there were no visitors allowed in the Trust through the pandemic, we gave out hundreds of patient goody bags which contained our magazine, colouring books, crayons, donated wash items and goodies, thus promoting our Charity to the wider public. We also gave out circa £230k worth of donated goods to staff, along with Blue Skies information, so that staff knew that their Trust has a Charity, who they are and where to find us. We produced an infomercial via the local radio station, again, to discourage people from coming into our hospital due to infection control but informing them on how to donate in a safe way.*

- To actively promote tax effective giving through Gift Aid and Legacy fundraising.

*We are actively promoting Legacy Fundraising and have wrapped lifts in the hospital as well as promoting this through our magazine. If we receive a donation that we do not have gift aid authorisation for, the follow up thank you letter contains a form that the donor can send back, should they be eligible for Gift Aid, this is also promoted through our magazine.*

- To continue to recruit and support community fundraisers, Charity of the Year partnerships and Blue Skies Ambassadors to maximise brand awareness and funds raised for the Charity.

*Because of the pandemic we were unable to recruit, we had no official Charity of the Year, however, the Winter Gardens Blackpool supported us in becoming a central hub for all the non-monetary donations received. Our ambassadors, a lot of who are elderly were self-isolating and unable to promote the work we do / raise funds.*

### Plans for the future

In addition to the above, the Charity also aims to:

- Procure the latest medical equipment to diagnose patients rapidly and accurately.
- Develop medical research breakthroughs that will benefit future patients.
- Improve the environments where patients and visitors are cared for and where staff and volunteers are located and
- Enhance the abilities of medical staff through education and training.

### Achievements and Performance

- The Charity exists to enhance the patient care provided by the Trust. In the main, this relates to supplementing core activity with patient benefits and comforts that would not ordinarily be afforded from public funds alone.

During 2020/21 the Charity has been able to purchase the following items:

- Venue Go Ultrasound Scanner for CCU - The benefits of using this equipment will prevent pain and discomfort to the patient that comes from multiple attempts at line insertion (£25k).
- 4 RITA (Reminiscence Interactive Therapy Activities) systems, featuring tablets, computer screens and projectors giving inpatients the opportunity to get interactive whilst they are in hospital beds. Friends and family can also send pictures in and can be projected from one screen up onto the ceiling for people to see whilst lying in bed (£16k).
- 12 Comfortable reclining chairs for patients undergoing chemotherapy (£11k).
- 1792 memory boxes to place valuables and keepsakes to enhance care and treatment. The boxes will identify with Swan Model supporting end of life care (£10k).

### Covid 19 Impacts on future plans

Within the financial year 2020/21 our ability to operate fundraising activity was affected, however, we did turn to virtual events which were relatively successful. We saw an increase in donations (including In Memory Donations) in the financial year and this is continuing to happen in the early part of 2021/22.

In 2021/22 we are looking to do a combination of actual and virtual events, as this seems to suit donors (offering them a choice).

To enable the Charity to move forward and continue with growth we are looking at opportunities to open a retail outlet within the community. This will bring in medium to long term income and will also serve as a shop window for our Charity in our community.

During 2020/21 the Charity also:

- Celebrated its 25<sup>th</sup> birthday, however, no events were able to take place due to the Covid-19 pandemic.
- Launched our Give a Fiver Appeal in December. We replaced our Give a Gift appeal with a monetary appeal which proved extremely successful and meant every patient that woke up in hospital on the Fylde Coast (circa 900) received a gift. This was in direct response to the Covid-19 pandemic as the public were unable to come into the hospital and we wanted to limit the spread of infection.
- Continued its Legacy Campaign.

## Financial Review

- The Charity's reporting year runs from 1 April to 31 March. In the reporting year 2020/21, the Charity received donations, legacies and grants totalling £753k (£1,312k in 2019/20). This may have been as a result of donations being redirected to national causes like Captain Tom's 100 fundraising drive etc.
- The net assets of the Charity held on 31 March 2021 were £1,366k (£1,638k 2019/20).
- The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply 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 published in October 2019.

## Reserves Policy

- The Charity receives income mainly from fundraised income and legacies which it is difficult to predict in advance when it will be received. It is therefore essential that the Charity can maintain a sufficient level of reserves to meet its commitments.
- The Reserves Policy states that free (unrestricted) reserves are maintained at a level that does not fall below a level equivalent to 6 months forecast expenditure. The value of free reserves on 31 March 2021 was £804k (£754k on 31 March 2020).
- On 31 March 2021, the level of reserves was sufficient to meet the approved commitments disclosed in note 12 to the financial statements covering fundraising and governance costs at a similar level to those incurred in 2020/21.
- The Charity is fully committed to spending any surplus reserves in a timely and appropriate way.
- It should be noted that the Charity's structure includes restricted funds, and this limits the Corporate Trustee's freedom to act to reduce the level of reserves.

## Investment Policy

- There has been no change to the investment policy during the financial year. The Charity identifies monies throughout the financial year that are not immediately required to fund expenditure and uses those monies to invest in short term deposits with Trust Board approved counter parties (for example, banks/building societies). However, no investment was made during the year due to low rate of return in the market.

## Analysis of Risk

- The Charity only spends up to the level of balances brought forward from previous years plus income received in the current year after allowing for existing commitments, rather than planning developments based upon anticipated income. Irrespective of the limited nature of the risk, the Committee monitors trends in donations at its quarterly meetings, which aims to highlight any potential problem area at an early stage.
- The Risk Register for the Charity was updated and reviewed during the year. The Charitable Funds Committee undertook a review of the major risks to which both the Charity and Fundraising Department were exposed during 2020/21. The Corporate Trustee will also review these risks and ensure that these are adequately mitigated.

## Structure, Governance and Management

- Blue Skies Hospitals Fund (Blackpool Teaching Hospitals Charitable Fund and Related Charities) is registered with the Charity Commission and the funds are held on trust by Blackpool Teaching Hospitals NHS Foundation Trust as a corporate body. It has existed in its present form since 2003. The Trust, as a Corporate Trustee, is managed by a Board of Directors.
- Management of the Trust's Charity is officially delegated to a committee of the Board called the Charitable Funds Committee. The Committee usually meets quarterly and monitors all aspects of the Charity's activities. The membership of the Committee is detailed in the "Reference and Administrative Details for 2020/21" section.
- New Charity trustees are appointed and inducted on Charity specific governance requirements by virtue of their membership of the Blackpool Teaching Hospitals NHS Foundation Trust Board of Directors.
- In its role as representative of the Corporate Trustee, the Committee has taken into consideration the Charity Commissions guidance on public benefit.
- Day to day administration of the Charity is undertaken by the Fundraising Department of Blackpool Teaching Hospitals NHS Foundation Trust and the initial point of contact (and Charity Commission correspondent) is the Trust's Head of Financial Services.
- On behalf of Blue Skies Hospitals Fund (Blackpool Teaching Hospitals Charitable Fund and Related Charities), the Charitable Funds Committee:
  - Ensures that income and expenditure levels comply with the terms of the relevant funds and the stated policies of the Trust.

- Continues to review the charitable funds application process to ensure that all applications have been through the appropriate Trust approval processes and charitable funds are subsequently applied effectively for patient benefit. All applications for funding are scrutinised to ensure all correct procedures have been applied accordingly to Charity policy and that applications are only approved if they meet the objectives of the Charity.
- Monitors and updates where appropriate any policy relating to raising or spending money from Blue Skies Hospitals Fund. The Charitable Funds policy is regularly reviewed to ensure compliance with best practice and Charity Commission Guidelines.
- Monitors the scheme of delegation and follows robust processes to ensure that charitable funds are effectively managed and that funds are allocated with due regard to public benefit and the wishes of our donors.
- The Corporate Trustee continues to meet following quarterly Charitable Funds Committee meetings for updates on how charitable funds are being spent and that the Blackpool Victoria Hospital General Purposes Fund spending is in accordance with the four spending priorities set out in the Charitable Funds Policy and in accordance with donor wishes.
- The Charity sits beneath the Foundation Trust and the Foundation Trust is considered the sole related party of the Charity. Any related party transactions between the Foundation Trust and the Charity are disclosed in the financial statements.
- To provide assurance that appropriate standards of management and governance are maintained an independent advisory body will be commissioned to undertake a review.
- As at the 31 March 2021, the Charity comprised of 37 individual funds and these are listed on our summary registration on the Charity Commission website ([www.charity-commission.gov.uk](http://www.charity-commission.gov.uk)). Where there is a balance at the end of the period, these are disclosed in Note 12.
- Charitable funds received by the Charity are accepted held and administered as funds and property held on trust for purposes relating to the health service, in accordance with the National Health Service Act 1977 and the National Health Service and Community Care Act 1990. These funds are held on trust by the Corporate Trustee body.
- The use of our funds is restricted by the Charity's governing document, which established the Charity for purposes to benefit NHS patients. All grants are made from the Charity's unrestricted and restricted funds. These funds comprise:

Blackpool Victoria Hospital General Purposes Fund (Unrestricted Funds)

This fund is constituted of gifts received by the Charity, where donors have expressed no particular preference for its expenditure. Applications are received during the year from staff for approval by the Head of Fundraising up to £10,000 or the Charitable Funds Committee for requests of more than £10,000.

The Charitable Funds Committee makes decisions based on the contents of the paperwork submitted and, if required, will ask the applicant to make a presentation at a Committee meeting. The Corporate Trustee agrees areas of focus to enable the Charitable Funds Committee to prioritise funding accordingly.

### Restricted and Designated Funds

These funds usually contain donations when the donor nominates a particular activity ward or department of the NHS Foundation Trust at the time of their donation. Donations made to restricted funds are binding on the Corporate Trustee, and those made to designated funds are not binding on the Corporate Trustee. Their delegated Fund Advisors, who make recommendations on how to spend the money within their area, oversee the funds. Once these recommendations are agreed the funds can be spent at any time. Applications are received by the Charitable Funds Committee for approval of expenditure of more than £10,000.

- The Corporate Trustee has implemented a formal scheme of delegation, whereby Fund Advisors (senior managers or clinicians who oversee the day-to-day management of the fund) are authorised to approve expenditure up to £10,000 from restricted funds. Expenditure over £10,000 is approved by the Charitable Funds Committee and all applications for funding of more than £50,000 are approved by the Corporate Trustee.
- The Charity is a member of the Association of NHS Charities, whose main objective is to enhance the standing and work of all NHS Charities. Representatives from the Charity can attend training, events and meetings organised by the Association and benefit from the shared experience of the Association's member charities.
- The Charity is also a member of the Fundraising Regulator. Registered organisations help promote best practice, defend the sector and demonstrate compliance with the law and also opens up more fundraising opportunities.

### **Reference and Administrative Details for 2020/21**

- The Charity's registered name is 'Blackpool Teaching Hospitals Charitable Fund and Related Charities' and its registered number is 1051570.
- The Charity Commission approved the use of a working name, Blue Skies Hospitals Fund in 2007.
- The Charity's correspondence address is:

Head of Financial Services,  
Berry Offices,  
Blackpool Victoria Hospital,  
Whinney Heys Road,  
Blackpool,  
FY3 8NR

Email address: [bfwh.blueskies@nhs.net](mailto:bfwh.blueskies@nhs.net)



- The Charity's Corporate Trustee is Blackpool Teaching Hospitals NHS Foundation Trust, which was established on 1 December 2007. The members of the NHS Foundation Trust Board serve as members of the Charity Corporate Trustee. Members who served during the financial year 2020/21 and to the date of signing this report were as follows:

Mr Pearse Butler (Chairman) until 31 January 2021  
Mr Steve Fogg (Chairman) from 1 February 2021  
Mr Kevin McGee (Chief Executive)  
Mr Tim Bennett (Deputy Chief Executive) until 29 November 2020  
Mr Feroz Patel (Interim Director of Finance) from 30 November 2020  
Mrs Berenice Groves (Interim Director of Operations for Unscheduled & Emergency Care) until 31 October 2020  
Prof. Nicki Latham (Executive Director of Strategic Partnerships) from June 2020  
Mrs Janet Barnsley (Interim Director of Operations of Planned Care)  
Mrs Natalie Hudson (Chief Operating Officer) from 1 November 2020  
Mrs Shelley Wright (Joint Executive Director of Communications) from 12 November 2020  
Mr Peter Murphy (Director of Nursing)  
Mr Kevin Moynes (Director of Human Resources & Organisational Development)  
Mr Mark Cullinan (Non-Executive Director & Chairman of Charitable Funds)  
Dr Sheena Bedi (Non-Executive Director)  
Mrs Mary Watt (Whyham) (Non-Executive Director & Chairman of Charitable Funds) until 31 December 2020  
Mr Keith Case (Non-Executive Director)  
Dr Jim Gardner (Non-Executive Director)  
Mr James Wilkie (Non-Executive Director)  
Mr Mark Beaton (Non-Executive Director)  
Mr Tony Wayne (Non-Executive Director)

- Members of the Charitable Funds Committee during 2020/21 were:

Served until 31 December 2020:

Mrs Mary Watt (Whyham) (Chairman of Charitable Funds & Non-Executive Director)

Served until 31 January 2021:

Mr Pearse Butler (Chairman of Blackpool Teaching Hospitals NHS Foundation Trust)

Served until 9 March 2021:

Mr Neil Seddon (Head of Financial Services, Blackpool Teaching Hospitals NHS Foundation Trust)

Serving from 1 January 2021:

Mr Mark Cullinan (Charitable Funds Chairman & Non-Executive Director)

Serving from 1 February 2021

Mr Steve Fogg (Chairman of Blackpool Teaching Hospitals NHS Foundation Trust)

Other Currently Serving

Mr Peter Murphy (Director of Nursing)

Dr Ranjit Moore (Governor, Blackpool Teaching Hospitals NHS Foundation Trust)

Mrs Kila Redfearn (Head of Fundraising, Blackpool Teaching Hospitals NHS Foundation Trust)

- The Charity's official correspondent during 2020/21 was:

Mr Neil Seddon (Head of Financial Services) until 9 March 2021

Mr Paul Cunday (Associate Director of Finance – Operational Finance) from 10 March 2021

- The Charity's External Auditor during 2020/21 was:

Deloitte LLP  
One Trinity Gardens  
Broad Chare  
Newcastle Upon Tyne  
NE1 2HF

- The Charity's Bankers during 2020/21 were:

Royal Bank of Scotland PLC  
36 St Andrew's Square  
Edinburgh  
EH2 2YB

- The Charity's Solicitor during 2020/21 was:

Hempsons Solicitors  
Portland Tower  
Portland Street  
Manchester  
M1 3LF

## Trustee's Responsibilities Statement

The Corporate Trustee (i.e. the Foundation Trust) is responsible for preparing the Trustee's Annual Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

The law applicable to charities in England and Wales requires the Corporate Trustee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity for that period.

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

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make judgments and estimates that are reasonable and prudent
- state whether applicable accounting standards, comprising FRS102, have been followed, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Corporate Trustee is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, The Charities (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Corporate Trustee is responsible for the maintenance and integrity of the Charity and financial information included on the Charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

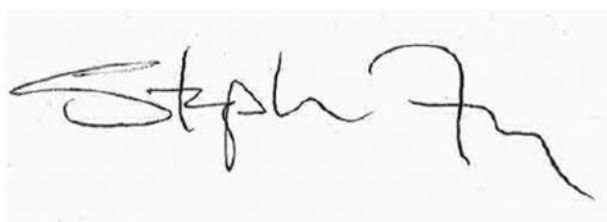
By Order of the Corporate Trustee



Date: 6<sup>th</sup> January 2022

Chairman, Mark Cullinan

Charitable Funds Committee



Date: 6<sup>th</sup> January 2022

Chairman, Steve Fogg

NHS Foundation Trust Board

## **Independent auditor's report to the trustee of Blackpool Teaching Hospitals Charitable Fund and Related Charities**

### **Report on the audit of the financial statements**

#### **Opinion**

In our opinion the financial statements of Blackpool Teaching Hospitals Charitable Fund and Related Charities (the 'Charity'):

- give a true and fair view of the state of the Charity's affairs on 31 March 2021 and of its incoming resources and application of resources for the year then ended
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the Charities Act 2011.

We have audited the financial statements which comprise:

- the statement of financial activities
- the balance sheet
- the cash flow statement
- the statement of accounting policies; and
- the related notes 1 to 12.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

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

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

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

## **Independent auditor's report to the trustee of Blackpool Teaching Hospitals Charitable Fund and Related Charities (continued)**

### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustee is responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Responsibilities of trustee**

As explained more fully in the trustee's responsibilities statement, the trustee is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustee is responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustee either intends to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 149 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## **Independent auditor's report to the trustee of Blackpool Teaching Hospitals Charitable Fund and Related Charities (continued)**

### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the Charity's industry and its control environment and reviewed the Charity's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and those charged with governance about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework that the Charity operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements, being the UK Charities Act; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the Charity's ability to operate or to avoid a material penalty. These included the Charity Commission for England and Wales (Charity Commission) regulations.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud in the following area, and our specific procedures performed to address it are described below:

- We pinpointed the risk of fraud through material misstatement to the risk of completeness of legacy income, particularly legacies notified but not yet received. In addressing this risk, we performed detailed testing of legacy income through testing a sample of items selected from post year end legacy income and tracing it through to the official receipts or other source documentation to determine the correct period of recognition.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud
- enquiring of management, internal audit and in-house / external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance and reviewing correspondence with Charity Commission.

## **Independent auditor's report to the trustee of Blackpool Teaching Hospitals Charitable Fund and Related Charities (continued)**

### **Report on other legal and regulatory requirements**

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

Under the Charities (Accounts and Reports) Regulations 2008 we are required to report in respect of the following matters if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustee's report; or
- sufficient accounting records have not been kept by the Charity; or
- the Charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

#### **Use of our report**

This report is made solely to the Charity's trustee, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the Charity's trustee those matters we are required to state to them in an 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 the Charity's trustee as a body, for our audit work, for this report, or for the opinions we have formed.



Deloitte LLP  
Statutory Auditor  
Newcastle Upon Tyne, United Kingdom  
28<sup>th</sup> January 2022

Deloitte LLP is eligible for appointment as auditor for the Charity by virtue of its eligibility for appointment as audit of a company under section 1212 of the Companies Act 2006.

**Statement of Financial Activities****Year ended 31 March 2021**

	Note	Unrestricted funds	Restricted funds	<b>Total funds 2020/21</b>	Total funds 2019/20
		£000	£000	£000	£000
<b>Income from:</b>					
Donations and legacies	2	594	159	<b>753</b>	1,312
Investment income	8	-	-	-	12
<b>Total incoming resources</b>		<b>594</b>	<b>159</b>	<b>753</b>	1,324
<b>Expenditure on:</b>					
Fundraising	3.1	110	100	<b>210</b>	226
<i>Charitable activities:</i>					
Purchase of medical equipment		95	118	<b>213</b>	478
Purchase of non-medical items		208	44	<b>252</b>	310
Patient welfare		9	18	<b>27</b>	22
Staff education and welfare		1	23	<b>24</b>	10
Estate management		99	158	<b>257</b>	59
Governance costs	3.2	22	20	<b>42</b>	44
<b>Total expenditure</b>		<b>544</b>	<b>481</b>	<b>1,025</b>	1,149
<b>Net movement in funds</b>		<b>50</b>	<b>(322)</b>	<b>(272)</b>	175
<b>Reconciliation of funds</b>					
Total funds brought forward at 1 April		<b>754</b>	<b>884</b>	<b>1,638</b>	1,463
<b>Fund balances carried forward at 31 March</b>		<b>804</b>	<b>562</b>	<b>1,366</b>	1,638

There were no other recognised gains or losses other than those listed above and the net income for the year. All income and expenditure is derived from continuing activities.



**Balance Sheet as at 31 March 2021**

	Note	<b>Total funds 31 March 2021</b>	<b>Total funds 31 March 2020</b>
		<b>£000</b>	<b>£000</b>
<b>Current assets:</b>			
Debtors	5	<b>0</b>	21
Cash at bank and in hand	9	<b>1,427</b>	1,809
<b>Total current assets</b>		<b>1,427</b>	1,830
<b>Liabilities:</b>			
Creditors: amounts falling due within one year	6	<b>61</b>	192
<b>Net current assets</b>		<b>1,366</b>	1,638
<b>Total net assets</b>		<b>1,366</b>	1,638
<b>The funds of the Charity:</b>			
Restricted income funds	12	<b>562</b>	884
Unrestricted income funds	12	<b>804</b>	754
<b>Total Charity funds</b>		<b>1,366</b>	1,638

The notes on pages 18 to 26 form part of these financial statements.

The Charitable Funds Committee approved the financial statements.

The financial statements on pages 15 to 17 were approved by the Corporate Trustee on 6 January 2022 and signed on its behalf by:



Date; 6<sup>th</sup> January 2022

Mr Mark Cullinan

Non-Executive Director

Chair of the Charitable Funds Committee

**Statement of Cash Flows for the year ended 31 March 2021**

	Total funds 2020/21 £000	Total funds 2019/20 £000
<b>Cash flows from operating activities:</b>		
<i>Reconciliation of net income to net cash flow from operating activities</i>		
Net (expense)/income as per the SOFA	<b>(272)</b>	175
<i>Adjusted for:</i>		
Decrease in debtors	<b>21</b>	55
Decrease / (increase) in creditors	<b>(131)</b>	62
<b>Net cash (used in) / generated from operating activities</b>	<b>(382)</b>	292
Net (decrease) / increase in cash and cash equivalents	<b>(382)</b>	292
Cash and cash equivalents at beginning of year	<b>1,809</b>	1,517
Cash and cash equivalents at the end of the year	<b>1,427</b>	1,809

## Notes to the Financial Statements

### Year ended 31 March 2021

#### General Information

Blackpool Teaching Hospitals Charitable Fund and Related Charities is registered with the Charity Commission (registered Charity number 1051570) in accordance with the Charities Act 2011. The Charity Commission approved the use of a working name, Blue Skies Hospitals Fund in 2007. The funds are held on trust by Blackpool Teaching Hospitals NHS Foundation Trust as a corporate body. It has existed in its present form since 2003. The Trust, as a Corporate Trustee, is managed by a Board of Directors.

Blue Skies Hospitals Fund exists to support the best in healthcare and medical research at Blackpool Teaching Hospitals NHS Foundation Trust. The registered office is given on page 1.

#### 1. Accounting Policies

##### 1.1 Basis of preparation

The financial statements are prepared under the historical cost convention, in accordance with the accounting policies set out in notes to the accounts and comply with the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with FRS 102 published in October 2019.

##### 1.2 Going concern

The 2020/21 financial statements for the Blackpool Teaching Hospitals Charitable Fund and Related Charities have been prepared on a going concern basis.

There are no material uncertainties affecting the current year's financial statements.

The Charity is dependent on discretionary income, therefore does not forecast cash flows but instead undertakes regular reviews of income and expenditure to manage cash balances and ensure the Charity continues as a going concern.

The Charity seeks to maintain sufficient unrestricted funds to cover foreseeable committed expenditure in the event of reductions in income.

##### 1.3 Public Benefit

Blackpool Teaching Hospitals Charitable Fund and Related Charities is considered a public benefit entity as defined by FRS 102.

##### 1.4 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 there is reasonable certainty that the incoming resource will be received; and
- measurement – when the monetary value of the incoming resources can be measured with sufficient reliability.

## Notes to the Financial Statements (continued)

### Year ended 31 March 2021

- (ii) No gifts in kind have been received.
- (iii) No intangible income has been received.

#### 1.4 Incoming Resources continued

- (iv) Legacies are accounted for as incoming resources when the executor of the estate has determined that a payment can be made following the agreement of the estate's accounts, or on notification by the executors that payment will be made.
- (v) None of the incoming resources reported in the Statement of Financial Activities are shown net of expenditure.

#### 1.5 Resources Expended

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. It is probable that settlement will be required and the amount of the obligation can be measured reliably. Most activities of the Charity are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category.

- (i) Charitable activities

The total resources expended are in furtherance of the objectives of the Charity.

- (ii) Cost of generating voluntary income

The costs of generating voluntary income include costs of the Fundraising Department including the full cost of the Head of Fundraising and fundraising office support staff. Other fundraising costs include promoting the Charity, travel expenses, costs incurred during fundraising events and the day to day running expenses.

- (iii) Governance Costs

Governance costs include the cost of finance function support costs £12,500 and an administration charge for overheads (equivalent to 1% of aggregate balances).

#### 1.6 Funds Structure

Where there is a legal restriction on the purpose to which a fund may be put, the fund is classified in the financial statements as a restricted or designated fund. Other funds are classified as unrestricted funds.

## **Notes to the Financial Statements (continued)**

### **Year ended 31 March 2021**

#### **1.7 Assets**

The Charity holds no fixed tangible or intangible assets or fixed asset investments.

Debtors are measured at their recoverable amounts (the amount the Charity anticipates it will receive from a debt).

Cash is held in the Charity's bank account.

#### **1.8 Liabilities**

The Charity holds no long-term creditors or provisions. Furthermore, it holds no loans (bank or otherwise) and does not have an overdraft.

Trade Creditors falling due within one year relate to amounts owed to Blackpool Teaching Hospitals NHS Foundation Trust or an external supplier. Creditors are recognised based on point of receipt of goods or services.

The Charity does not own any fixed assets, therefore has no capital commitments.

#### **1.9 Investment Income**

The Charity does not hold any investments. Investment income is derived from interest earned on funds held in the Charity's bank account. Income is accounted for in the period in which it is received and apportioned between funds based on the average of the opening and closing fund balance.

#### **1.10 Pensions**

For staff recharged to the Charity via the payroll of Blackpool Teaching Hospitals NHS Foundation Trust, employee pension contributions are subject to the terms and conditions of the NHS Pension Scheme as operated by the Foundation Trust (See the Blackpool Teaching Hospitals NHS Foundation Trust Annual Report and Annual Accounts 2020/21 for further details).

#### **1.11 Analysis of support costs and overheads**

All support costs and overheads are included in miscellaneous costs (see note 3). Support costs and overheads are apportioned between funds on an allocation basis based on the reserve year-end final balance.

#### **1.12 Post Balance Sheet events**

There have been no post balance sheet events to report.

#### **1.13 Taxation**

The Charity is a registered Charity, and as such is entitled to certain tax exemptions on income and profits from investments, and surpluses on any trading activities carried on in furtherance of the Charity's primary objectives, if these profits and surpluses are applied solely for charitable purposes.

**Notes to the Financial Statements (continued)****Year ended 31 March 2021****2. Donation and legacies**

	Unrestricted funds	Restricted funds	<b>Total funds 2020/21</b>	Total funds 2019/20
	£000	£000	<b>£000</b>	£000
Donations	121	61	<b>182</b>	173
Fundraising	65	41	<b>106</b>	145
Grants	186	0	<b>186</b>	110
Legacies	222	57	<b>279</b>	884
<b>Total</b>	<b>594</b>	<b>159</b>	<b>753</b>	<b>1,312</b>

Donations from individuals are gifts from members of the public, relatives of patients and staff.

**3. Expenditure****3.1 Fundraising**

	Unrestricted funds	Restricted funds	<b>Total funds 2020/21</b>	Total funds 2019/20
	£000	£000	<b>£000</b>	£000
Staff costs	82	75	<b>157</b>	162
Other fundraising costs	28	25	<b>53</b>	64
<b>Total</b>	<b>110</b>	<b>100</b>	<b>210</b>	<b>226</b>

**Notes to the Financial Statements (continued)****Year ended 31 March 2021****3. Expenditure (continued)****3.2 Governance costs**

	Unrestricted funds	Restricted funds	<b>Total funds 2020/21</b>	Total funds 2019/20
	£000	£000	<b>£000</b>	£000
Audit fee	5	5	<b>10</b>	13
Interest Payable	2	1	<b>3</b>	2
Blackpool Teaching Hospitals NHSFT Service Charges:				
Finance Support	7	6	<b>13</b>	13
Administration Charge	8	8	<b>16</b>	16
<b>Total</b>	<b>22</b>	<b>20</b>	<b>42</b>	44

**3.3 Staff costs**

The Charity does not directly employ any staff (2019/20: nil). Blackpool Teaching Hospitals NHS Foundation Trust employs one Head of Fundraising, two Community Fundraisers, one Communications Officer and one Office Manager.

In 2020/21, the Charity indirectly employed 3.40 WTE (2019/20: 3.93 WTE).

The cost of staff included in governance costs employed by Blackpool Teaching Hospitals NHS Foundation Trust and charged to the Charity are:

	<b>2020/21</b>	2019/20
	<b>£000</b>	£000
Salaries and Wages	<b>127</b>	130
Social Security Costs	<b>12</b>	13
Employer's Pension contributions	<b>18</b>	19
<b>Total</b>	<b>157</b>	162

**Notes to the Financial Statements (continued)****Year ended 31 March 2021****3. Expenditure (continued)****3.3 Staff costs (continued)**

	<b>2020/21</b>	2019/20
	<b>£000</b>	£000
Employer's pension scheme contribution for highest paid staff member	<b>7</b>	6

	<b>2020/21</b>	2019/20
	<b>Number</b>	Number
Number of staff to whom benefits are accruing under the NHS Pension Scheme	<b>5</b>	5

Staff emoluments for the year fell within the following bandings

Salary bands of £5,000:	<b>2020/21</b>	2019/20
	<b>Number</b>	Number
10 - 15	<b>1</b>	-
15 – 20	-	1
20 - 25	<b>2</b>	3
25 - 30	<b>1</b>	-
40 – 45	-	1
45 – 50	<b>1</b>	-

There are no (2019/20: none) employees with emoluments above £60,000.

No members of the body that comprise the Corporate Trustee have been paid any remuneration or received any other benefits from an employment with the Charity.

**4. Inventory**

The Charity does not hold any inventory (2019/20: Nil).



**Notes to the Financial Statements (continued)****Year ended 31 March 2021****5. Debtors**

	<b>Total funds 2020/21 £000</b>	<b>Total funds 2019/20 £000</b>
Amounts falling due within one year:		
Other debtors	-	21
<b>Total</b>	<b>-</b>	<b>21</b>

**6. Creditors: amounts falling due within one year**

	<b>Total funds 2020/21 £000</b>	<b>Total funds 2019/20 £000</b>
Amounts falling due within one year:		
Audit fee	11	13
Other creditors	50	179
<b>Total</b>	<b>61</b>	<b>192</b>

**7. Auditor's remuneration**

The auditor's remuneration for the audit of the 2020/21 financial statements was £10,800 (2019/20: £12,600). All fees related solely to the audit, with no other additional work undertaken in relation to the Charity. Amounts stated are inclusive of VAT.

**8. Investment income**

	<b>Total funds 2020/21 £000</b>	<b>Total funds 2019/20 £000</b>
Interest on cash held in bank account	-	12

**Notes to the Financial Statements (continued)****Year ended 31 March 2021****9. Cash at bank and in hand**

	<b>Total funds 31 March 2021 £000</b>	<b>Total funds 31 March 2020 £000</b>
Government Banking Service	<b>1,426</b>	1,808
Cash in hand	<b>1</b>	1
<b>Total</b>	<b>1,427</b>	1,809

**10. Commitments**

On 31<sup>st</sup> March 2021, the Charity had total commitments of £66,521 which had been approved by the Charitable Funds Committee (2019/20: £154,816).

**11. Related party transactions**

Blackpool Teaching Hospitals NHS Foundation Trust is managed by the Corporate Trustee which is also the Board of Directors of Blackpool Teaching Hospitals NHS Foundation Trust and which is the sole beneficiary of the Charity. During the year, none of the members of the NHS Foundation Trust Board or parties related to them were beneficiaries of the Charity.

During 2020/21 no members of the NHS Foundation Trust Board has received any payment from the Charity, including for reimbursement of expenses incurred (2019/20: None).

The Charity made revenue payments to the NHS Foundation Trust relating to governance costs and various other items of expenditure initially incurred by the NHS Foundation Trust and subsequently recharged to the Charity.

The balance owed by the Charity to the NHS Foundation Trust on 31 March 2021 was £36,034 (31 March 2020: £0).

The Charity is owed by the NHS Foundation Trust as at 31 March 2021 £0 (31 March 2020: £22,301).

**Notes to the Financial Statements (continued)****Year ended 31 March 2021****12. Analysis of Charitable Funds**

<b>Fund Analysis</b>	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Fund Balances 2020/21</b>	<b>Fund Balances 2019/20</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Designated Funds</b>				
Blackpool Victoria Hospital General Fund	804	-	<b>804</b>	754
Community and Other Funds	-	12	<b>12</b>	40
Medical Research Fund	-	23	<b>23</b>	27
Staff Amenities Fund	-	7	<b>7</b>	9
Specialist Medicine Fund	-	15	<b>15</b>	18
Cardiac Directorate Fund	-	227	<b>227</b>	304
Cancer Services Fund	-	120	<b>120</b>	312
The MRI Scanner and Imaging Equipment Fund	-	27	<b>27</b>	36
Emergency and Critical Care Fund	-	42	<b>42</b>	35
Women and Children's Fund	-	47	<b>47</b>	69
Clinical Support Fund	-	5	<b>5</b>	9
Specialist Surgery Fund	-	32	<b>32</b>	25
Bereavement Fund	-	5	<b>5</b>	-
<b>Total Funds</b>	<b>804</b>	<b>562</b>	<b>1,366</b>	<b>1,638</b>

The Blackpool Victoria Hospital General Fund has general objectives for any charitable purpose relating to Blackpool Teaching Hospitals NHS Foundation Trust.

The objectives of all restricted funds are designated in their title.

The governance costs have been apportioned as a percentage of each restricted fund's balance sheet share of the Charity's end of year balance.