South Tyneside and Sunderland NHS Foundation Trust Charitable Funds

England & Wales · Charity number 1052366

Details

Other names	CITY HOSPITALS SUNDERLAND CHARITABLE FUNDS, CITY HOSPITALS SUNDERLAND NHS FOUNDATION TRUST CHARITABLE FUNDS, CITY HOSPITALS SUNDERLAND CHARITY, STS Charity
Status	Registered
Legal form	Other
Registered	1996-01-27
Register	View on the Charity Commission register

Contact

Address	Trust Headquarters Sunderland Royal Hospital Kayll Road Sunderland SR4 7TP
Phone	01915656256
Email	stsft.charity@nhs.net
Website	https://www.stsft.nhs.uk/our-charity/

Activities

Objects: FOR ANY CHARITABLE PURPOSE OR PURPOSES RELATED TO THE NATIONAL HEALTH SERVICE

Activities: Activities benefit patients and staff of the Foundation Trust in furtherance of providing healthcare through purchasing equipment, funding training, and providing welfare amenities.The Trust Deed permits funds to be used for any charitable purpose relating to the National Health Service.Around 185 funds exist within the Charity registration, covering most wards and services.

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Classification

- **How:** Acts As An Umbrella Or Resource Body
- **What:** The Advancement Of Health Or Saving Of Lives
- **Who:** Children/young People, Elderly/old People, People With Disabilities, The General Public/mankind

Geography

- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£1,381,147	£2,485,205	£8,079,412	0
2024-03-31	£3,310,021	£4,663,391	£9,135,361	0
2023-03-31	£3,054,529	£1,096,333	£10,275,270	0
2022-03-31	£2,598,070	£1,251,982	£8,555,590	0
2021-03-31	£1,982,684	£848,561	£7,122,059	0

Trustees

Name	Role	Appointed
Sth Tyneside and Sunderland NHSFT		2019-04-01

Linked charities

- NICHOL BEQUEST CITY HOSPITAL SUNDERLAND TRUST FUND (1052366-1)
- FOX WILLIAMS CITY HOSPITAL SUNDERLAND TRUST FUND (1052366-2)
- NORMAN SMITH CITY HOSPITALS SUNDERLAND TRUST FUND (1052366-3)
- NORTHERN REGION CLEFT LIP AND PALATE FUND (1052366-4)
- THE LEUKAEMIA AND LYMPHOMA RESEARCH FUND (1052366-5)

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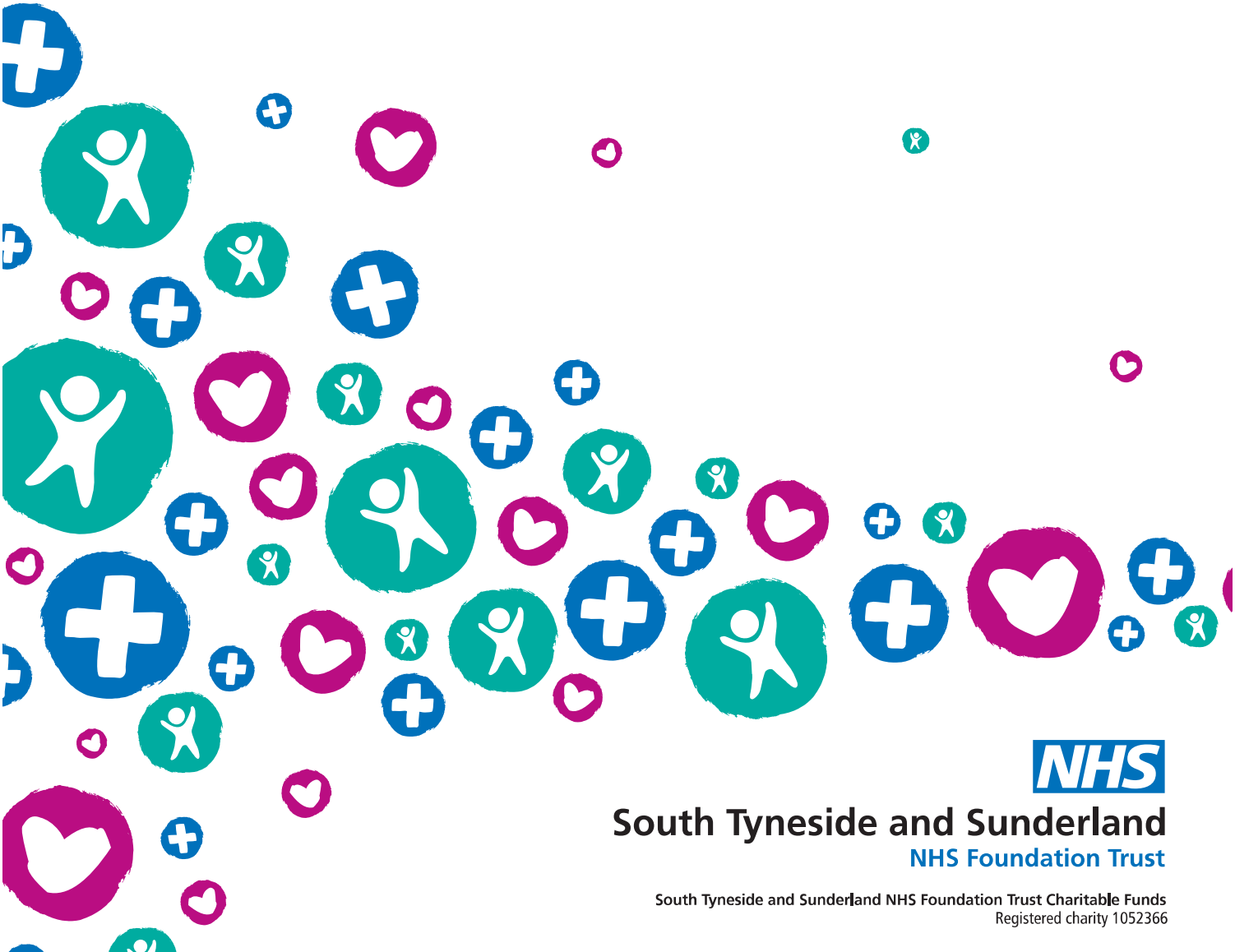
South Tyneside and Sunderland NHS Foundation Trust Charitable Funds

England & Wales - Charity number 1052366

Accounts

STS Charity

Annual Report and Accounts 2024/5



South Tyneside and Sunderland
NHS Foundation Trust

South Tyneside and Sunderland NHS Foundation Trust Charitable Funds
Registered charity 1052366

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Introduction

STS Charity is the dedicated charity of South Tyneside and Sunderland NHS Foundation Trust. This includes Sunderland Royal Hospital, Sunderland Eye Infirmary, South Tyneside District Hospital and around 60 community sites across South Tyneside, Sunderland, North Durham and Gateshead. We exist to support our health, care and communities by investing in things above and beyond what the NHS can fund. This includes:

- enhancing patient care and experience
- providing additional specialist equipment
- supporting the wellbeing and development of our staff
- championing innovation
- working with partners to support community health initiatives

We do this thanks to the amazing support of our incredible fundraisers, donors and partners who helped us raise almost £1.4 million during 2024/5. More information about some of the key things we have supported can be found on page 7.





A message from our Chair of Charitable Funds Committee, Ngozi Lyn Cole

In the NHS we see the best of times and the worst of times. It's there at every stage of life and open to everyone 24 hours a day, 7 days a week. Our NHS is special and we must cherish it, but it's also under immense pressure and we equally must support it.

This is where the important role of our NHS charities really comes into play. As Chair of the Charitable Funds Committee and one of the trustees of STS Charity, I feel an overwhelming responsibility to ensure that every penny we receive through donations, grants or gifts is spent in the most meaningful and impactful way. I was particularly proud to see our investment into new family accommodation for our neonatal unit open in November 24. This means families can be close to their baby when they need it most. We also funded a number of pieces of specialist equipment that helps us spot disease at a much earlier stage and sponsored our annual staff awards – an important chance for us to recognise and say thank you to our amazing staff. I'm also excited to see work progress on our new Eye Hospital in Sunderland. To support this, we launched our Vision Appeal with an ambitious target of £1 million to enhance equipment and facilities in the new building. You can read more in this report. Despite the cost-of-living crisis, people still want to give and make a difference to their local community. It might be to say thank you for care received, to support services close to their heart or because they feel a sense of responsibility to give back. We are constantly blown away by the generosity of those who donate, fundraise or partner with our charity and I want to take this chance to say a huge thank you! It's an exciting time as we welcome our new STS Charity Team. I'm very much looking forward to seeing more events, partnerships and much easier ways for everyone in our community to get involved.



STS Charity

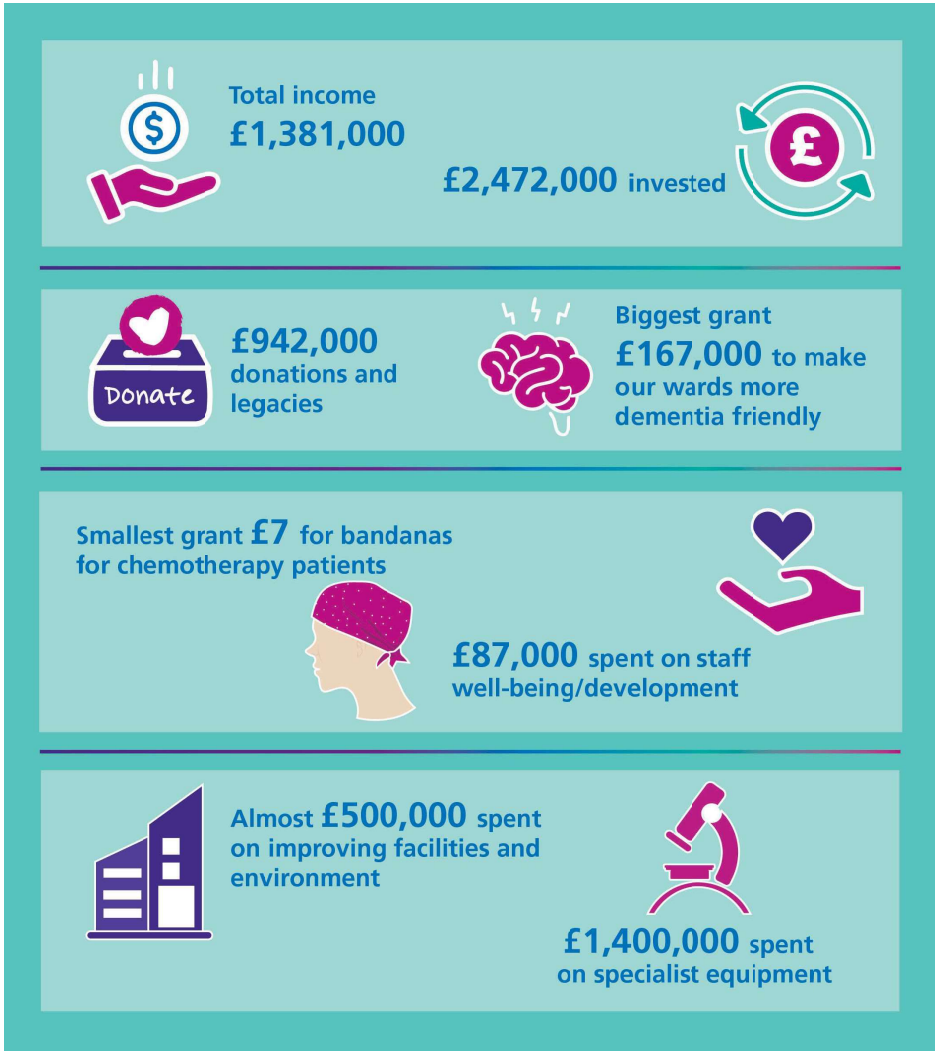
A message from our Head of Charity, Nichola Taylor

It's been a year of transformation for our STS Charity. At the start of 2025, we appointed two Fundraising Managers and a Charity Administrator. This was a hugely positive step for the Charity, which hadn't had a dedicated fundraiser in place since 2021. It was also the first step towards developing a different approach to how we do things at STS Charity. Building a new strategy that provides clear direction on what we want to achieve and what's most important to us; as well as outlining a set of strategic goals and grant making priorities.

There's no doubt that we have lots to do and big changes to make. As the dedicated charity of South Tyneside and Sunderland NHS Foundation Trust we exist to support our health, care and communities. Thanks to the generosity of those who work with us and support us, we help our hospital and community services go further by investing in the big and little things that the NHS cannot. We never underestimate the importance of this or the impact that this has on patients, families, carers and staff – this is always at the forefront of our minds and at the centre of everything we do. In 24/25 alone we provided around £2.5 million in funding to improve care and experience for those who access, visit or work in any of our services. You can read just a few of the examples within this report. There is no doubt that we absolutely could not do any of this without your support. We are so grateful to our amazing fundraisers, partners, supporters and friends for their tireless efforts and look forward to doing so much more in the coming months and years.



Review of the year - a year in numbers



We've invested over £1million in the last two years to create new family accommodation for our neonatal unit

Why? Because we know there's nothing more important to families than being close to their baby when they are being cared for in our neonatal unit. The hotel style accommodation is the first of its kind in the region providing a home from home environment for parents and carers. It includes a kitchen, laundry room and two family rooms that are designed for siblings to also stay. Within the unit there are two additional ensuite bedrooms, a new expressing room and quiet room.

We're top of our game when it comes to funding equipment for our younger patients

Hospitals can be intimidating, especially for our younger patients. We funded two portable sensory trollies for children on our wards. The sensory voyagers include games and lights. We've also supported the purchase of an over bed gaming station to keep patients entertained if they need to stay in hospital. This is one of two that we want to fund for our children's wards.

We make sure we have equipment that is fit for the future

To provide outstanding care we need the latest equipment and technology. We've invested £120,000 on specialist microscopes for microsurgery on the head and neck, £94,000 on AI technology used in colonoscopy to spot early signs of cancer, £102,000 on 13 bladder scanners to use on our medical wards, £36,000 on a specialist operating table for patients with scoliosis, £53,000 for Airvo oxygen therapy machines for intensive care and £98,000 for a handheld OCT machine used to spot eye conditions, particularly in children and premature babies.

We help services go further

Our Cancer Information and Support Centres provide support to patients and families living with cancer. We invest around £28,000 per year to cover legal services, counselling and complementary therapies as well as bandanas, memory boxes and a range of books and toys for children. Our Delirium and Dementia Outreach Team rely on charitable funds to run a range of events and therapy sessions with patients with dementia.

Last year we invested around £24,000 providing free TV to patients in our hospitals, including over Christmas and the Euros. Every patient waking up in our hospitals on Christmas morning was also given a present and we lit up our hospitals with Christmas decorations and lighting (£26,000).

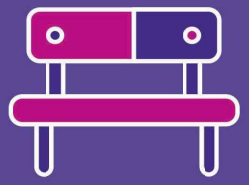
Caring for our staff helps them provide the best care for our patients

STS Charity is headline sponsor of our annual Staff Recognition Awards. The awards recognise individuals and teams who go above and beyond in their role. We also support the professional development of our colleagues, supporting the Patient Safety Conference, Stoma open day and making sure young people have a voice about our services through the Young Persons' Group. We've invested in furniture and fittings for staff areas, like a new vending machine that provides hot food for staff, particularly during nightshift; and helped pilot key roles that support staff caring for patients with learning disabilities, from our armed forces and promoting key patient safety initiatives, such as preventing falls.

It's not only the big things that matter....

We also fund the smaller things that make a BIG difference.

£57,000 for new, comfortable chairs for our chemotherapy unit and emergency departments and garden benches outside our Intensive Care Unit at South Tyneside to give families a quiet place to sit.

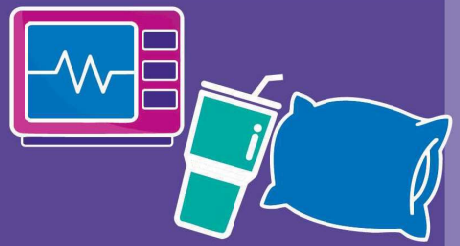


£21,000 for new couches in our wound hub



£6,000 for an ECG machine for our community falls service

£3,000 on beakers, tumblers and an angel pillow for our children's wards



£3,000 on comfort care and end of life packs to support loved ones staying with a patient in hospital

£2,000 for counselling sessions for haematology patients



The Vision Appeal – supporting our new state-of-the-art Eye Hospital in Sunderland

We've launched an ambitious appeal to raise £1 million to support the development of the new Eye Hospital currently being built in Sunderland.

Through our fundraising we will invest in enhanced equipment and facilities that will improve the care and experience for patients and our staff. Our sight matters. It's one of our most important senses. We want to make eye care the very best it can be – that's what matters to us.

You can find out more about our Vision Appeal here

SCAN ME



A big thanks to our fantastic supporters, including:

- Our patients, families and friends
- Our staff
- Choice
- Royal Volunteer Service (RVS)
- League of Friends
- Our local rotary clubs and Grand Lodges
- Visual Impairment North East
- Crane Charitable Funds
- Tesco
- Dunelm
- Poundland
- Bellway
- BAM Construction
- Sharpsmart
- Futurepathways
- Gym Group
- Our 2024 Great North Runners

And the many individuals, businesses and community groups and organisations who have so kindly raised and donated money, gifts in kind and their time to support us.

We would also like to acknowledge those who have pledged or very kindly left a gift in their will for our STS Charity. In the past year these gifts have contributed to our Vision Appeal and Priority Fund, which supports projects and initiatives across our hospitals and community sites. You can read this here - https://www.stsft.nhs.uk/application/files/8817/5388/8933/CHA-0525-05_Charity_strategy_25-28_FINAL.pdf



A look forward

We're always looking for fresh ideas and more ways to work with local people and organisations. In the coming year we'll be focusing on a number of key areas that help us raise vital funds to support our health, care and communities.

We've already pledged to fund a number of projects that we know will make a big difference to patients and staff, including:

Cold cap machines that help prevent hair loss for patients undergoing chemotherapy.

Specialised equipment to support new audiology clinics at Palmer hospital which brings care closer to home and improves waiting times.

A digital platform for parents of children with epilepsy to record seizures in real time to help treatment and diagnosis.

A Food Services Dietician to support our catering team and improve our food offer to patients, particularly in relation to food allergies, texture, modified meals and nutritional value.

A motorised image intensifier for our vascular theatres to support endovascular surgery – an alternative to open surgery which has a much shorter recovery time and less time spent in hospital.

Staff wellbeing space in our community venues.

We've also recently developed an ambitious three-year strategy to help us grow and develop the work we do to support our health, care and communities across South Tyneside, Sunderland and the wider areas we serve.

Our strategic goals

1 Be a well-known and trusted charity in South Tyneside and Sunderland and beyond

As the dedicated charity of South Tyneside and Sunderland NHS Foundation Trust we will work with staff, patients and our local community to build trusted relationships and a network of engaged supporters. We will always be open and honest about how we use our funds and the impact it has. We will work hard to spend every penny in the most meaningful way so the benefits can be felt by the people we care for, who work in our services and live in our local communities.

2 Raise more money to support our Trust and help our services go further

We want those who fundraise for us to feel supported and positive about what they do. Supporting our charity should be easy, fun and meaningful. We want to create lots of ways to get involved, including exciting programmes of community events, donation points within our hospitals and community sites, more work with local businesses and community organisations and simple ways for people to leave a legacy in their will or donate in memory of a loved one. By growing a diverse network of supporters and partners we will do more to help our hospitals and local communities.

3 Support our staff to be their best so they can give the best care to patients

Working for the NHS is a great privilege, but it can also be demanding. We will ensure our staff working across all areas of our Trust are able to access funds that will improve their working environment. We'll also prioritise things that focus on good health and wellbeing so we're looking after our own staff as well as we look after our patients.

4 Support major developments, explore where technology can make a difference and promote innovation in all that we do.

If we want to make ambitious change, we need the right infrastructure in place. We will work with the Trust to support key future plans and priorities. Part of this is championing a culture of innovation through research and new technologies. We will also fund and fundraise for key capital projects such as new buildings or equipment.

5 Develop meaningful partnerships that help us tackle health inequalities and support healthier communities

We know significant inequalities exist in South Tyneside and Sunderland and people are living longer in poor health. We want to help change this. We will work with our network of brilliant partners to champion change and help people from all areas of our community to have fair access to health and care and the means to support their own wellbeing,

Structure and governance

STS Charity was formed by a Declaration of Trust on the 7th December 1995 as City Hospitals Sunderland NHSFT Charitable Funds (Reg. 1052366).

This was amended by a Supplemental Deed on the 24th March 2020 to include the merger with the former South Tyneside General Charitable Fund (Reg. 1059500) effective from the 1st April 2020. From this time the merged charity name changed to South Tyneside and Sunderland NHS Foundation Trust Charitable Funds (Reg. 1052366), or STS Charity as it is more widely known.

The Charity has a sole Corporate Trustee, which is the Board of Directors of South Tyneside and Sunderland NHS Foundation Trust.

The Charity has a set of aims, which benefit the public through our support for South Tyneside and Sunderland NHS Foundation Trust. These aims ensure that the Trustee has had regard to Charity Commission guidance on public benefit in section 4 of the Charities Act 2011.

Charitable Funds Committee

Our Charitable Funds Committee (CFC) has delegated authority from the Corporate Trustee to oversee the administration of charitable funds in accordance with any statutory / legal requirements or best practice required by the Charity Commission.

Voting members for 2024/25 included:

- Ngozi Lyn Cole – Non-Executive Director and Chair of The Charitable Funds Committee meets
- Roy McLachlan – Non-Executive Director
- Hayley Wardle – Executive Director of Finance
- Melanie Johnson – Executive Director of Nursing, Midwifery and Allied Health Professionals

Other members in attendance by invitation

- Andrea Hetherington, Director of Corporate Affairs and Trust/Legal Secretary
- Nichola Taylor, Head of Corporate Affairs and Charity
- Stuart Smith, Deputy Director of Operational Finance
- Emma McDowell, Associate Director of Finance
- Anita Hagon – Public Governor (stepped down August 2024)
- Pauline Palmer – Public Governor
- Ian Thurlbeck – Public Governor

The Charitable Funds Committee meets bi-monthly and a minimum of five times per year. The committee annually reviews its terms of reference and minutes of meetings are formally recorded and shared with the Board to provide assurance. The quorum required is two members, which must include an Executive and Non-Executive Director.









STS Charity Team

During 2024/5, we established a new STS Charity Team with the appointment of a Head of Corporate Affairs and Charity, followed by two Fundraising Managers and a Charity Administrator. The Team is developing a new Charity Strategy for the next three years as well as supporting our amazing network of fundraisers, partners and friends. STS Charity does not directly employ staff. They are employees of South Tyneside and Sunderland NHS Foundation Trust. The Charity is recharged for costs related to staffing and fundraising activities.

Donor Promise

At STS Charity every donation is a commitment. We promise to treat that commitment with integrity, transparency and respect by:

- Being transparent and accountable so donors can see how their support makes a difference. We will provide clear, honest updates on how funds are spent and the impact they have.
- Communicating with supporters in a way that suits them and respects their preferences.
- Complying with the law and current regulations and doing all we can to make sure those who fundraise for us do too.
- Treating everyone we work with and support with respect by upholding their right to privacy and never sharing or selling personal data.

Charitable Funds

We hold 121 funds within our STS Charity. While the majority of these funds are unrestricted, many are ringfenced to support individual wards, departments and services. We continue to rationalise funds wherever possible so we can ensure donors wishes are respected as well as use funds to support the Trust as a whole as well as specialty areas.

Reserves

Our Reserves Policy forms part of our plans to provide long term support to the Trust. Our Priority Fund supports trust-wide initiatives and is classed as the 'free reserves'.

We work with two Investment Management companies who operate within the requirements of STS Charity's investment policy and within agreed risk appetite. The performance of the portfolio is reviewed on a quarterly basis as a minimum. The total reserves at 31 March 2025 stood at £8,079,000 of which £143,000 is restricted and £7,777,000 is unrestricted but held in ring-fenced funds. £159,000 is held in endowments.

Privacy notice

STS Charity has a Privacy Notice. This is available in full at www.stsft.nhs.uk/our-charity/about-us/privacy-notice





Managing Risk

The Charity regularly assesses major risks and has policies and procedures in place to mitigate these. In particular:

- The internal controls of the Trust have been adopted by the Charity.
- Robust procedures are in place to verify that items requested from charitable funds are properly authorised and in accordance with our acceptable spend criteria and charitable objects.
- The Charity maintains a register of potential risks.

The Charity's operations and records are reviewed and tested by external auditors as part of the statutory annual audit on the information reported within the charity's Annual Financial Statements and Annual Report.

Our Charitable Objects

The objects of STS Charity, as contained in our Trust Deed 'object' clause is to 'apply income for any charitable purpose relating to the National Health Service'. In practice this is wholly or mainly for the services provided by South Tyneside and Sunderland NHS Foundation Trust and the benefit of its patients and staff.

Going Concern

The Trustee considers that there are no material uncertainties about the Charity's ability to continue as a going concern up to 31 December 2026.

Uncertainties over the level of future income constitutes a risk to the going concern of the Charity. To this end, expenditure commitments are logged and reviewed by the Charitable Funds Committee to ensure they have not exceeded monies held as cash and cash equivalents.

Professional advisors

Bankers
Nat West Bank PLC
Government Banking Services Branch
1000 Cathedral Square
Cathedral Hill
Guildford
GU2 7YL

Investment Managers

Rathbone Investment Management Ltd
Earl Grey House
75-85 Grey Street
Newcastle upon Tyne
NE1 6EF

CCLA

One Angel Lane
London
EC4R 3AB

Auditors

Robson Laidler Accountants Ltd
Fernwood House
Fernwood Road
Jesmond
Newcastle upon Tyne
NE3 1TJ

AuditOne

Kirkstone Villa
Lanchester Road Hospital
Durham
DH1 5RD





Statement of Trustee Responsibilities

The Trustee is responsible for ensuring that the Annual Report and Accounts are prepared in accordance with all applicable laws and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the Charity. In preparing this Annual Report and Accounts, the Trustee is required to:

- Select suitable accounting policies and apply them consistently.
- Observe the methods and principles in the Charities SORP (FRS102)
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustee is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time, the financial position of STS Charity to ensure compliance with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the Trust Deed. It is also responsible for safeguarding the assets of STS Charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

Financial review of the year

This section provides a financial summary of STS Charity. A full copy of the audited accounts is included in this report. There was a decrease in income from £3.31m (2023-24} to £1.381m (2024-25) in the year due to limitations on fundraising capacity and a reduction in corporate donations. Expenditure also decreased to £2,485m. Our investment portfolios made a 3.45% gain in 2024/25 and are well diversified with a long term strategy to cope with market volatility in an unstable world.

Registered charity name and number

South Tyneside and Sunderland NHS Foundation Trust Charitable Funds (1052366)

Registered address: Trust Headquarters, Sunderland Royal Hospital, Kayll Road, Sunderland, SR4 7TP

Telephone: 0191 5656256

Website: www.stsft.nhs.uk/our-charity/

Ngozi Lyn Cole

Non-Executive Director; Chair of Charitable Funds Committee

Date: 18 December 2025

Independent auditor's report to the trustees of South Tyneside and Sunderland NHS Foundation Trust Charitable Funds

Opinion

We have audited the financial statements of South Tyneside and Sunderland NHS Foundation Trust Charitable Funds (the 'charity') for the year ended 31 March 2025 which comprise Statement of Financial Activities, Balance Sheet, Statement of Cash flow and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2025 and of its net income and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 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 trustees' 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 trustees with respect to going concern are described in the relevant sections of this report.

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 trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF CITY HOSPITALS SUNDERLAND NHS FOUNDATION TRUST CHARITABLE FUNDS (CONTINUED)

In connection with our audit of the financial statements, 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 in the course of 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' Report; or
- sufficient accounting records have not been kept; 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.

Responsibilities of trustees

As explained more fully in the trustee responsibilities statement set out on page 18, 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 trustees determine 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 are 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 trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF CITY HOSPITALS SUNDERLAND NHS FOUNDATION TRUST CHARITABLE FUNDS (CONTINUED)

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 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 as a whole 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 on the basis of the financial statements.

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. Based on our understanding of the charity and its activities, we identified that the principal risks of non-compliance with laws and regulations related to the UK tax legislation, pensions legislation, employment regulation and health and safety regulation, ant-bribery, corruptio and fraud, money laundering and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Charities Act 2011 and the Charities Statement of Recommended Practice.

We evaluated the trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, and significant one-off or unusual transactions.

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- Discussing with the trustees and management their policies and procedures regarding compliance with laws and regulations;
- Communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the charity which were contrary to applicable laws and regulations, including fraud.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

SOUTH TYNESIDE AND SUNDERLAND NHS FOUNDATION TRUST CHARITABLE FUNDS - FINANCIAL STATEMENTS 2024/25

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF CITY HOSPITALS SUNDERLAND NHS FOUNDATION TRUST CHARITABLE FUNDS (CONTINUED)

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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

Other matters

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice

Use of our report

This report is made solely to the charity's trustees, 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 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 the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Signed:



Michael T Moran BA FCA (Senior Statutory Auditor)

For and on behalf of Robson Laidler Accountants Limited
Statutory Auditor
Fernwood House
Fernwood Road
Jesmond
Newcastle Upon Tyne
NE2 1TJ

Date: 18 December 2025

Robson Laidler Accountants Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

SOUTH TYNESIDE AND SUNDERLAND NHS FOUNDATION TRUST CHARITABLE FUNDS
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

FOREWORD

These financial statements have been prepared by the Trustee under Part 8 of the Charities Act 2011, as amended by the Chariti Act 2022 and in accordance with the Charities Statement of Recommended Practice (FRS102).

STATUTORY BACKGROUND

For the Financial Year 2024/2025 South Tyneside and Sunderland NHS Foundation Trust (STSFT) was the Corporate Trustee of t Charitable Funds, which was established on 1 April 2019.

The South Tyneside and Sunderland NHS Foundation Trust Charitable Funds are registered with the Charity Commission (register number 1052366) and include funds in respect of services at the Sunderland Royal Hospital, Sunderland Eye Infirmary, South Tyneside District Hospital, as well as some Community services and services located at the Children's Centre, Sunderland. Prior to April 2020 charity number 1052366 was registered as City Hospitals Sunderland NHS Foundation Trust Charitable Funds. The registered charity South Tyneside Trust General Charitable Fund, registered charity number 1059500, whose Corporate Trustee is South Tyneside and Sunderland NHS Foundation Trust, merged with the registration number 1052366 on 1 April 2020.

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 ap solely for charitable purposes.

MAIN PURPOSE OF THE CHARITABLE FUNDS

The main purpose of the Charitable Funds is to apply income for any charitable purpose relating to the National Health Service, fo services provided by STSFT.

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2025

	Notes	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	**Total 2025 Funds £000**	Total 2024 Funds £000
Income from:						
Donations & Legacies	2	941	1	0	**942**	2,779
Charitable Activities	3	54	0	0	**54**	93
Other Trading Activities	4	7	0	0	**7**	5
Investments	9.3	361	9	8	**378**	433
Total Income		1,363	10	8	**1,381**	3,310
Expenditure on:						
Raising Funds	5	(53)	(1)	0	**(54)**	(29)
Charitable Activities	6	(2,380)	(38)	0	**(2,418)**	(4,634)
Other - transfer to other NHS Charity		(13)	0	0	**(13)**	0
Total Expenditure	7	(2,446)	(39)	0	**(2,485)**	(4,663)
Net Gain on investments	9.1	47	1	0	**48**	213
Net Income / (Expenditure)		**(1,036)**	**(28)**	**8**	**(1,056)**	**(1,140)**
Transfer between funds		23	(15)	(8)	**0**	0
Net movement in funds		**(1,013)**	**(43)**	**0**	**(1,056)**	**(1,140)**
Reconciliation of Funds:						
Total funds brought forward		8,790	186	159	**9,135**	10,275
Total funds carried forward	**13**	**7,777**	**143**	**159**	**8,079**	9,135

All results derive from continuing operations.
All gains and losses recognised in the year are included in the above.
There is no material difference between the net incoming resources stated above and their historical cost equivalents.

BALANCE SHEET AS AT 31 MARCH 2025

	Notes	Unrestricted Funds	Restricted Funds	Endowment Funds	Total 2025 Funds	Total 2,024 Funds
		£000	£000	£000	£000	£000
Non current assets						
Investments	9.1,9.2	3,601	147	0	**3,748**	3,763
Total non-current assets		3,601	147	0	**3,748**	3,763
Current assets						
Trade and other receivables	10	323	0	0 0	**323**	20
Cash and cash equivalents	11	4,515	9	159	**4,683**	7,042
Total current assets		4,838	9	159	**5,006**	7,062
Current liabilities						
Trade and other payables	12	(662)	(13)	0	**(675)**	(1,690)
Net current assets		4,176	(4)	159	**4,331**	5,372
Total net assets		**7,777**	**143**	**159**	**8,079**	9,135
Retained funds of the Charity						
Endowment Funds	13.1	0	0	159	**159**	159
Restricted Income Funds	13.3	0	143	0	**143**	186
Unrestricted Income Funds	13.5	7,777	0	0	**7,777**	8,790
Total retained funds of the Charity		**7,777**	**143**	**159**	**8,079**	9,135

The financial statements on pages 19 to 41 were approved by order of the Trustee on 18 December 2025 and signed on its behalf by:

.....

Ken Bremner MBE
Chief Executive, South Tyneside and Sunderland NHS Foundation Trust, Corporate Trustee

18 December 2025

STATEMENT OF CASHFLOW

	Period Ended 31 March 25 £'000s	Year Ended 31 March 24 £'000s
Net income and expenditure for the reporting period	(1,056)	(1,140)
Decrease (Increase) in current debtors	(303)	24
Investment income received	(378)	(433)
Net Gain on investments revaluation	(48)	(213)
(Decrease) / Increase in current creditors	(1,015)	1,405
Net cash inflow/(outflow) from operating activities	**(2,800)**	**(357)**
Disposal at sale proceeds values	566	303
Acquisitions at cost	(503)	(372)
Investment income received	378	433
Net cash inflow/(outflow) from investment activities	**441**	**364**
Net cash inflow/(outflow) cash and cash equivalents	**(2,359)**	**7**
Cash and cash equivalents at beginning of the period	7,042	7,035
Cash and cash equivalents at end of the period	**4,683**	**7,042**

NOTES TO THE FINANCIAL STATEMENTS

1 Accounting Policies

1.1 Basis of preparation

These financial statements have been prepared under the historical cost convention as modified by the inclusion of investments at market value, in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective from 1 January 2019) – Charities SORP (FRS 102), the Companies Act 2006 and the Charities Act 2011.

The principle accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

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

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

The uncertain economic outlook and the variability in income from donations and legacies year-to-year represents a significant area of financial uncertainty for the Charity. The Charity mitigates this risk through maintaining diversity in its income streams and upholding expenditure authorisation controls to prevent over-commitment of funds. Therefore, this is not anticipated to represent a risk to going concern.

A significant area of uncertainty that affects the carrying value of assets held by the Charty is the performance of investment markets. The performance of the Investment Broker is reviewed as a minimum on a quarterly basis by the Trustee.

The Charity's functional and presentational currency is the pound sterling and is rounded to the nearest £'000.

1.2 Structure of funds

Where there is a legal restriction on the purpose to which a fund may be put, the fund is classified either as:
- A restricted fund; or
- An endowment fund.

Trustee has the power to spend the capital, it is classed as expendable endowment.

Endowments are held as expendable endowments unless there is a specific term in the bequest stating the capital element should be held in perpetuity. Under such bequests, the capital value will be maintained, income generated by capital in perpetuity can be spent.
Unrestricted income funds comprise those funcs which the Trustee is free to use for any purpose in furtherance of the charitable objects.

The major funds held in each of these categories are disclosed in note 13

1.3 Income

a) Donations, staff lottery, royalties, investment income, course and conference fees:

All income is included in full in the Statement of Financial Actvities as soon as the following three factors can be met:

(i) entitlement – arises when income is receivable or the Charty's right becomes legally enforceable;

(ii) probable – when it is more likely than not that the income will be received; and

(iii) measurement – when the monetary value of the income can be measured with sufficient reliability and the costs incurred for the transaction can be measured reliably.

Where there are terms and conditions attached to income, particularly grants, then these terms or conditions must be met before the income is recognised as the entitlement condition will not be met until that point. Where terms or conditions have not been met or uncertainty exists as to whether they can be met then the relevant income is not recognised in the year but deferred and shown on the balance sheet as deferred income.

b) Legacies:

Legacies are accounted for as income once the receipt of the legacy becomes probable or is within the control of the Charity. 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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1 Accounting Policies (continued)

1.3 Income (continued)

c) Staff Lottery:
Income is recorded net of the cost of prizes. The Lottery policy states that 50% of proceeds are allocated in prize monies, therefore only income available to the Charity is recorded in the financial statements.

d) Investment income apportionment:
Common ceposit fund interest (COIF) relating to the two former CHS endowment funds is held in one account, and is split over these funds. The interest from the second common deposit fund (COIF account), after consultation with the charity auditor Robson Laidler and by agreement of the Charitable Funds Committee, this income is apportioned proportionately over the Restricted funds, excepting the restricted Leukaemia and Lymphoma fund which has its own income source via a Rathbone investment portfolio, with the balance being allocated to the Priority fund.

Current account interest, after consultation with the charity auditor Robson Laidler and by agreement of the Charitable Funds Committee, is apportioned proportionately over the Restricted funds including the restricted Leukaemia and Lymphoma fund, with the balance being allocated to the Priority fund.

Traded fixed asset investments dividends and interest result from three portfolios:

The main portfolio relates to unrestricted funds and after consultation with the charity auditor Robson Laidler and by agreement of the Charitable Funds Committee, this income is allocated to the Priority fund.

The second portfolio relates to one restricted fund and income is allocated direct to the fund.

The third portfolio relates to one unrestricted fund and income is allocated direct to the fund.

1.4 Transfer of Funds

Common ceposit fund interest relating to the two former CHS endowment funds is transferred to respective restricted funds at the same time as the support cost apportionment. See notes 13.1 and 13.3.

1.5 Liabilities

All expenciture is recognised once there is a known legal or constructive obligation to make a payment to a third party. Liabilities have been recorded at settlement value.

1.6 Expenditure expended

The Charitable Funds' financial statements are prepared in accordance with the accruals concept.

a) Costs of generating funds:

The costs of generating funds are the costs associated with generating income for the Charitable Funds. The costs incurred relate to operating the staff lottery, investment portfolio management fees and pay and non-pay relating to the Charity fundraiser working within the Corporate Affairs department. Two Charity Fundraisers started in post in post March 2025.

b) Costs of Charitable Activities – Support Costs:

These are accounted for on an accruals basis and include recharges of appropriate proportions of the salary costs from South Tyneside and Sunderland NHS Foundation Trust of 7.86 whole time equivalent post. There are no staff directly employed by the Charity. Bank charges relating to the operation of the Charity's non-exchequer bank accounts are included, as well as software licence and maintenance fees charged by the suppliers of the Charitable Funds database system. One off costs pertinent to running the charity are accounted for within this category. In 2024/25 this included a consultancy fee to prepare a Strategic Review of the Charity.
Support costs are inclusive of Governance costs – see (d).

During 24/25, in consultation with the charity auditor Robson Laidler and by agreement of the Charitable Funds Committee, these support costs are allocated proportionately to Restricted funds, with the balance being allocated to the Priority Fund. This occured at month nine and twelve, with the intention to be a quarterly process.

c) Costs of Charitable Activities – Research Activities:

Research via Charitable Funds must comply with any requirements contained in the Charities Act, and also Charity Commission guidelines. In addition, South Tyneside and Sunderland NHS Fundation Trust has a research policy, ratified by the Trust via its Research and Development Steering Group, which involves vetting and approval by the Trust's Scientific Review Committee and externally by an approved Research Ethics Committee. Charitable constraints mean that only a select few projects would meet charitable criteria. There was no research conducted in 2023/24.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1 Accounting Policies (continued)

1.6 Expenditure (continued)

d) Governance costs:

This includes only those costs attrbutable to generating the information required for public acccuntability (i.e. financial statements and Trustee Annual Report preparation).

The costs include an appropriate proportion of salary costs relating to the Charitable Funds Administrator and review costs by the Capital Accountant, recharged from South Tyneside and Sunderland NHS Foundation Trust at 0.08 whole time equivalent.

The fee for the annual external audit is accrued within this category.

1.7 Fixed Assets

The Charity does not hold any fixed assets.

Any purchases of goods which satisfy the fixed asset criteria are gifted to South Tyneside and Sunderland NHS Foundation Trust under "Contribution to NHS" – see notes 6.1 and 14.2. These are then accounted for within the STSFT balance sheet under Donated Fixed Assets.

1.8 Cash and cash equivalents

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

1.9 Investments

All investments are held to provide an investment return for the Charity.

Traded investment non-current assets are shown at market value as at the balance sheet date. The valuation of listed investments is based on mid-market prices and is obtained from the Charity's investment broker Rathbone Investment Management Limited.

The value of unlisted investments is obtained by Rathbone Investment Management Limited from trading brokers.

Investments comprise a mix of UK Government Gilts, fixed interest bearing shares and bonds, FTSE 100 and 250 quoted stocks, overseas equities and a number of Alternative Assets including hedge funds, commodities and property trusts.

As per Charity Commission guidelines, no one investment on average comprises more than 5% of the total portfolio value. Some investment assets came to the Charity by way of bequests

All traded investment business is handled on a discretionary basis by the broker, who acts as a Nominee. The Trustee believes that the carrying value of the investment is supported by their underlying net assets.

1.10 Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise.

Realised gains and losses on investments are calculated as the difference between sales proceeds and book value. An adjustment is made for previous unrealised gains being the difference between the previous year end market value and the book value.

It should be noted that under the arrangement with the investment broker, the cash proceeds from disposals and non-dividend income are held by the broker in a Capital Account pending reinvestment.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1 Accounting Policies (continued)

1.10 Realised gains and losses - continued

Unrealised gains and losses are calculated as the difference between the market value at the year end and opening market value (or date of purchase if later).

The above applies to the current and prior financial year.

1.11 Charity merger

On 1 April 2020, City Hospitals Sunderland Charitable Funds merged with South Tyneside General Charitable Fund (reg no 1059500) to become South Tyneside and Sunderland NHS Foundation Trust Charitable Funds, (working name STS Charity), registration number 1052366. Also see Foreword page 24 for more detail.

1.12 Reserves Policy

The Charity Commission notes that Trustees "should" rather than "must" have a policy, and notes having a reserves policy will help Trustees comply with their legal duty which includes:

- Acting in the interests of their charity and its beneficiaries;
- protecting and safeguarding the assets of their charity; and
- acting with reasonable care and skill to ensure their charity is accountable.

In practice this means the reserves policy should:

- Fully justify and clearly explain the reason for keeping or not keeping reserves;
- identify a plan for the maintenance of essential services for beneficiaries;
- reflect the risks of unplanned closure associated with the charity's business model, spending commitments, potential liabilities and financial forecasts; and
- help to address the risks of unplanned closure on their beneficiaries (in particular, vulnerable beneficiaries), staff and volunteers.

Given that both restricted funds and endowments already have an accounting framework in place to ensure they are managed appropriately, this policy will apply to the unrestricted funds; the restricted funds will be managed in line with the donor's restrictions.

Noting the above, South Tyneside and Sunderland NHS Charitable Funds will ensure it holds sufficient cash reserves to:

1. Meet all outstanding agreed commitments at any one point in time;
2. Retain sufficent funds to meet 18 months of annual operational costs at any one point including funding the following roles:

a. Fund Raising Officers
b. Charitable Funds Accountant and assistant.
c. Cost of third party system support such as the finance database.

3. Retain a cash balance of between £0.500m and £1.000m at any one point in time to ensure working capital commitments can be managed including covering the cost of purchasing medical equipment and agreed salaries.

Any remaining funds will be managed in line with the investment management policy using the nominated investment broker in contract at the time.

Where fund balances are considered higher than may be expected the Trustees will seek to obtain strategic spend plans from the Foundation Trust, these however, will take into account operational commitments at the time which may mean funds are indeed retained until an appropriate point in time is reached where for example capital investments could be made to a ward or other operational area.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1 **Accounting Policies (continued)**

1.13 Prior year adjustments

There has been no change to the financial statements of prior years.

1.14 Exemption from Corporation Tax

South Tyneside and Sunderand NHS Charitable Funds is a registered Charity, subject to the taxation reliefs applicable to charities. All income is applied in furtherance of the objectives of the Charity, it is exempt from corporation tax.

1.15 Financial instruments

Financial assets and financial liabilities are recognised when the Charty becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a finance transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

The Charity only holds financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

1.16 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Charity's accounting policies, which are described in notes 1.1 to 1.13, the Trustee is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The Trustee does not consider there are any critical judgements or sources of estimation uncertainty requiring disclosure beyond the accounting policies listed above.

1.17 Ukraine conflict and US Presidential election

Rathbones, the investment management provider positioned the portfolios such that they have not been adversely affected by world events which produced volatility in markets.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Income from donations & legacies 2

	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	**Total 2025 Funds £000**	Total 2024 Funds £000
2.1 Donations					
Donations from individuals	111	1	0	**112**	160
Donations from charities RVS	160	0	0	**160**	220
Donations from charities other	212	0	0	**212**	1
Corporate donations CHoICE	300	0	0	**300**	2,000
Corporate donations other	11	0	0	**11**	9
Non corporate donations	8	0	0	**8**	14
Public Services	1	0	0	**1**	2
	803	**1**	**0**	**804**	2,406

Analysis of donations from individuals

	£000 received		Number of deposits	
	2025	2024	**2025**	2024
Individuals giving > £1k	26	81	24	44
Individuals giving > £100	56	65	341	227
Fundraising - voluntary (not via STSFT)	24	5	40	10
Other	6	9	236	452
Totals	**112**	160	**641**	733

	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	**2025 Funds £000**	2024 Funds £000
2.2 Legacies					
Paediatrics	0	0	0	**0**	300
Corporate - Nursing	0	0	0	**0**	36
Ophthalmology	43	0	0	**43**	23
Urgent + Emergency Care	0	0	0	**0**	12
Medical Specialties	1	0	0	**1**	1
Perioperative + Critical Care	0	0	0	**0**	1
Priority fund (prev General Purposes)	94	0	0	**94**	0
	138	**0**	**0**	**138**	**373**

In total 4 legacies were advised/received during 2024/25, of which 2 are residuary sums (2023/24 9)

2.3 Total donations and legacies	**941**	**1**	**0**	**942**	2,779

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Income from charitable activities 3

	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	**Total 2025 Funds £000**	Total 2024 Funds £000
Course and conference fees	**54**	**0**	**0**	**54**	93

7 different course types were held (2023/24 : 7).

Income from other trading activities 4

	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	**Total 2025 Funds £000**	Total 2024 Funds £000
Staff lottery	7	0	0	**7**	5
	7	**0**	**0**	**7**	5

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Details of Fundraising expenditure 5

	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	**Total 2025 Funds £000**	Total 2024 Funds £000
Bought-in services from NHS	(8)	0	0	**(8)**	(2)
Investment Broker fee	(27)	(1)	0	**(28)**	(26)
Corporate Fundraising non pay	(18)	0	0	**(18)**	(1)
	(53)	**(1)**	**0**	**(54)**	(29)

Bought-in services relate to:
Salary recharges from STSFT in respect of: managing the staff lottery £2k, 0.08 whole time equivalent - wte (2023/24: £2k, 0.08 wte)
Salary recharges from STSFT for 2 x charity Fundraisers £6k, costs commence March 2025, wte 0.80 + 0.84 (2023/24: nil)

Details of Charitable activities expenditure 6

6.1 Cost of Charitable Activities

	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	**Total 2025 Funds £000**	Total 2024 Funds £000
Patients' welfare and amenities	(462)	0	0	**(462)**	(247)
Course and conference costs	(74)	0	0	**(74)**	(91)
Contributions to NHS	(1,661)	(36)	0	**(1,697)**	(3,878)
Staff welfare and amenities	(87)	0	0	**(87)**	(335)
Support and governance costs	(96)	(2)	0	**(98)**	(83)
	(2,380)	**(38)**	**0**	**(2,418)**	(4,634)

Analysis of support costs expenciture 6.2

Support and governance costs	Staff / Patient Welfare and Amenities £000	Course and Conference Costs £000	Governance Costs £000	Research £000	**Total 2025 Funds £000**	Total 2024 Funds £000
Unrestricted	(72)	(10)	(15)	0	**(97)**	(83)
Restricted	0	0	(1)	0	**(1)**	0
	(72)	(10)	(16)	0	**(98)**	(83)

Support costs mainly relate to pay in respect of 1.86 whole time equivalent (wte) staff costs of which 0.08 wte was transferred to Governance in connection with the preparation of the statutory Annual Financial Statements and Trustee Annual Report.

There are no staff employed directly by the charity therefore there have been no pension contributions made in the year.
Non pay costs include: bank charges, licence fee associated with the Charitable Funds database, final consultancy charges for a Charity Strategic Review.
Governance costs include: the statutory annual audit by Robson-Laidler for 24/25 total £9,660 exclusive of VAT (2023/24 £9,200 excl VAT), an element from support costs detailed above.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Analysis of total expenditure 7

	Costs of Fundraising £000	Investment Management Costs £000	Costs of Charitable Activities £000	Governance Costs £000	**Total 2025 £000**	Total 2024 £000
Other	(18)	0	(2,146)	0	**(2,164)**	(4,178)
Bought-in services from NHS	(8)	0	(256)	(4)	**(268)**	(448)
Investment Broker fee	0	(28)	0	0	**(28)**	(26)
Audit fees - external statutory audit provision	0	0	0	(12)	**(12)**	(11)
	(26)	**(28)**	**(2,402)**	**(16)**	**(2,472)**	(4,663)
Transfer of Breastcare funds to Gateshead NHSFT Charity	**0**	**0**	**(13)**	**0**	**(13)**	0
Total	**(26)**	**(28)**	**(2,415)**	**(16)**	**(2,485)**	0

Grants made to institutions and individuals 8

During the year, the Charity made no grants to individuals or other institutions but funding was provided to STSFT for the benefit of patients, staff which could not be funded out of NHS operating expenses.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Analysis of non current asset investments 9

9.1 **Traded Non Current Asset Investments:**

	31 March 2025 Total £000	31 March 2024 Total £000
Managed Portfolios		
Market value at 1 April	3,763	3,481
Less: Disposals at Sales Proceeds values	(566)	(303)
Add: Acquisitions at cost	503	372
Net unrealised and realised gain / (loss) on sale and revaluation	48	213
Market value at 31 March	**3,748**	3,763
Total non current asset investments	**3,748**	3,763
Historic cost at 31 March - Managed Portfolios	**3,821**	3,968

9.2 **Traded Non Current Asset Investments:**

	31 March 2025 Total £000	31 March 2024 Total £000
Investments listed on a recognised Stock Exchange:		
In the UK	1,266	1,573
Outside the UK	863	863
Unlisted securities:		
In the UK	1,026	1,006
Outside the UK	593	521
Total	**3,748**	3,763

Analysis of gross income from investments

9.3 **Total gross income:**

	31 March 2025 Total £000	31 March 2024 Total £000
Investments listed on a recognised Stock Exchange:		
In the UK	53	54
Outside the UK	5	7
Unlisted securities:		
In the UK	20	21
Outside the UK	10	8
Investments in a Common Deposit Fund	24	25
Current account / short term interest	266	318
Total	**378**	433

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Analysis of Trade and other Receivables — **10**

Amounts falling due within one year:

	31 March 2025 £000	31 March 2024 £000
Trade receivables	6	13
Prepayments and accrued income	317	7
Total receivables falling due within one year	**323**	20

Analysis of Cash and Cash Equivalents — **11**

Cash and cash equivalents

	31 March 2025 £000	31 March 2024 £000
Cash at GBS bank	4,131	6,526
Notice Deposits (less than 3 months)	465	465
Cash held in dealing account with Investment Broker	87	51
Total cash and cash equivalents	**4,683**	7,042

Analysis of Trade and other Payables — **12**

Amounts falling due within one year:

	31 March 2025 £000	31 March 2024 £000
Amounts due to STSFT	(291)	(564)
Trade payables	(384)	(1,112)
Accruals and deferred income	0	(14)
Total payables falling due within one year	**(675)**	(1,690)

Analysis of Funds — **13**

13.1 Endowment Funds

Details of material funds - Endowment Funds

	Balance 1 April 2024 £000	Income £000	Expenditure £000	Transfers £000	Gains on Disposals £000	Gains on Revaluations £000	Balance 31 March 2025 £000
Fund 1910 Legacy	156	8	0	(7)	0	0	**157**
Fund 1900 Legacy	2	0	0	0	0	0	**2**
Funds1920-1940 Gifts	1	0	0	(1)	0	0	**0**
Total	**159**	**8**	**0**	**(8)**	**0**	**0**	**159**

13.2 Description of funds

Fund 1910 Legacy	-	Capital in Perpetuity to purchase equipment at Sunderland Eye Infirmary.
Fund 1900 Legacy	-	Capital in Perpetuity to place "in memoriam" flowers in the Chapel.
Funds 1920 ,1930, 1940 -	-	expendable Endowment ex South Tyneside charity, transferred to unrestricted funds

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Analysis of Funds — **13 (Continued)**

13.3 Restricted Funds

Details of material funds - Restricted Funds

	Balance 1 April 2024 £000	Income £000	Expenditure £000	Transfers £000	Transfers out of STS £000	Loss on Disposals £000	Gain on Revaluation £000	Balance 31 March 2025 £000
Material funds								
Leukaemia Research Legacy	125	8	(2)	0	0	(1)	2	132
Orthopaedics bequest	36	1	(37)	0	0	0	0	0
Neonatal Unit Legacy	2	0	0	(2)	0	0	0	0
Other designated funds	23	1	0	(13)	0	0	0	11
Total	**186**	**10**	**(39)**	**(15)**	**0**	**(1)**	**2**	**143**

13.4 Description of funds

Leukaemia Research Legacy	-	For leukaemia and lymphoma research.
Orthopaedics bequest	-	For the provision of an operating theatre bed specifically designed for people suffering from curvature of the spine
Neonatal Unit legacy	-	For South Tyneside neonates - transferred to Mini Miracles fund as no NeoNatal service at South Tyneside
Other designated funds	-	Three areas. Other smaller older balances transferred to unrestricted funds

13.5 Unrestricted Funds

Details of material funds - Unrestricted Funds

	Balance 1 April 2024 £000	Income £000	Expenditure £000	Internal Transfers £000	Transfers out of STS £000	Loss on Disposals £000	Gain on Revaluation £000	Balance 31 March 2025 £000
Material funds								
Medical Equipment purposes	3,882	300	(1,466)	0	0	0	0	**2,716**
Paediatric department	648	2	(25)	0	0	0	0	**625**
Priority (prev General Purposes)	433	627	(415)	16	0	(68)	0	**593**
Heartcall	0	208	0	0	0	0	0	**208**
Critical Care Medicine (prev SRH ICCJ)	177	15	(33)	34	0	0	0	**193**
Rise Above Cancer	173	17	(22)	13	0	0	0	***181***
Glaucoma purposes	148	1	0	0	0	0	0	**149**
Phoenix Unit - Chemotherapy	131	13	(17)	19	0	0	0	***146***
Nursing Purposes	3	0	0	139	0	0	0	***142***
SEI General Purposes	115	2	0	24	0	0	0	**141**
Mini Miracles (prev NeoNatal Unit)	190	6	(83)	6	0	0	0	**119**
Renal purposes	98	2	0	10	0	0	0	**110**
Pharmacy department	94	5	0	0	0	0	0	**99**
Diabetes purposes Legacy	92	0	0	0	0	0	0	**92**
Gynaecology purposes	53	0	0	32	0	0	0	**85**
District Nursing (ST Comm Planned Care)	67	8	(3)	5	0	0	0	**77**
SEI Vision Appeal	5	46	0	23	0	0	0	**74**
STDH Cardiology bequests	67	0	0	0	0	0	0	**67**
ENT/SALT purposes	62	11	(7)	0	0	0	0	**66**
SRH Coronary Care	53	2	0	0	0	0	0	**55**
Niall Quinn Childrens OPD	52	2	0	0	0	0	0	**54**
SRH Ward D46 Stroke (prev E58,D41)	69	1	(17)	0	0	0	0	**53**
Other	2,178	95	(345)	(298)	(13)	0	115	**1,732**
Total Unrestricted Funds	**8,790**	**1,363**	**(2,433)**	**23**	**(13)**	**(68)**	**115**	**7,777**

Transfers: During 2024/25 Transfers incuded the Gross transfer of funds to move Endowment (CIP) income to Unrestricted funds

Transfers between funds to close 53 funds,plus transfer 3 fund balances to Gateshead NHSFT Charitable Funds for a service managed by them.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Details of material funds - Unrestricted Funds (continued)

13.6	Description of funds		
	Medical Equipment purposes (incl CHoICE donation)	-	Larger items of medical equipment funded from CHoICE donations.
	Paediatric department	-	Equipment and patient amenities across Paediatrics
	Priority (prev General Purposes)	-	Trustwide in accordance with the objects of the Charity.
	Heartcall	-	South Tyneside Cardio Voluntary Group charity closure transfer
	Critical Care Medicine (prev SRH ICCU)	-	Purposes benefitting the Intensive Critical Care Unit
	Rise Above Cancer	-	Information, support and complimentary therapy treatment rooms on Sunderland Royal and South Tyneside District hospital sites
	Glaucoma purposes	-	Incorporating the GRAD@S fund, for glaucoma service purposes including research and development
	Phoenix Unit - Chemotherapy	-	Equipment and patient amenities within the Unit - relocated
	Nursing Purposes	-	Trustwide in accordance with the objects of the Charity. (created from balances on resuscitation course funds, now managed within revenue)
	SEI General Purposes		For Eye Infirmary benefit in accordance with the objects of the Charity.
	Mini Miracles (prev NeoNatal Unit)	-	Equipment and patient amenities for the Neonates service set by NHS Charities Together (incl Captain Sir Tom Moore distributions).
	Renal purposes	-	For expenditure in accordance with the objects of the Charity.
	Pharmacy department	-	Equipment, training and education within the department.
	Diabetes purposes Legacy	-	For expenditure in accordance with the objects of the Charity.
	Gynaecology purposes	-	For expenditure in accordance with the objects of the Charity.
	District Nursing (prev Sth Tyneside Community Planned Care)	-	For expenditure in accordance with the objects of the Charity.
	SEI Vision Appeal	-	In connection with equipping new Eye Infirmary
	SRH Cardiology	-	For expenditure in accordance with the objects of the Charity.
	ENT/SALT purposes	-	For purposes including Head and Neck cancer services
	SRH Coronary Care	-	For expenditure in accordance with the objects of the Charity.
	Niall Quinn Childrens OPD	-	For expenditure in accordance with the objects of the Charity.
	SRH Ward D46 Stroke (previously located on ward E58)	-	Equipment and patient amenities within the ward
	Maternity Unit	-	Equipment for the maternity unit and purposes in accordance with the objects of the Charity

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Trustee and Connected Persons Transactions 14

14.1 Recharges from Corporate Trustee

STSFT, as Corporate Trustee of the Charity, incurred rechargeable expenditure on behalf of the Charity amounting to £2,926,932 (2023/2024: £3,364,409). The rechargeable expenditure relates to the Charity's objectives, and represents the majority of the resources expended as shown in note 6.1.STSFT does not recharge any costs for services provided by its Directors.

An amount of £277,917 is included within payables for outstanding transactions not yet reimbursed. (£564,016 payable re 2023/24).

14.2 Analysis of Contributions to NHS

The Charity provided the following capital donations to STSFT:

	31 March 2025 £000	31 March 2024 £000
Equipment	1,363	2,845
Fixtures and Fittings	0	0
IT equipment	0	0
Buildings	334	1,033
	1,697	3,878

14.3 Trustee Indemnity Insurance

No indemnity insurance was provided to the Trustee in the year to 31st March 2025 (2023/24 Nil).

14.4 Related Party Transactions

The Charity has made revenue and capital donations to its Corporate Trustee, STSFT. The Corporate Trustee, which is the ultimate controlling party, consists solely of members of the Board of Directors who assume responsibility and accountability for the Charity.

During the year, *none* of the Directors or members of the key management staff or parties related to them has undertaken any private transactions with the South Tyneside and Sunderland NHS Foundation Trust Charitable Funds.

No member of the Board of Directors has been reimbursed "out of pocket" expenses by the Charity.

There were no loans or guarantees secured against assets of the Charity in the year to 31st March 2025 (2023/24 Nil).

The Charitable Funds received a donation of £300,000 (2023/24 £2,000,000) from City Hospitals Independent Commercial Enterprises Ltd (CHoICE), which is the subsidiary of STSFT.

The Charitable Funds did not place any non stock requisitions via CHoICE. CHoICE did process minimal value stock items for Comfort Care/End of Life Care Packs £654, (2023/24: £1961)

Internal audit services are provided by AuditOne.

Services provided to the Charity by AuditOne during the financial year 2024/25 were nil (23/24: nil).

14.5 Post Balance Sheet Event

None

Thank you to everyone who has supported our STS Charity during 2024/5 by fundraising, donating or working with us.

You can find out more about the work we do and how to get involved by visiting our website – www.stsft.nhs.uk/our-charity or following us on social media @STSCharity.

STS Charity

Trust Headquarters

Sunderland Royal Hospital

Kayll Road

Sunderland

SR4 7TP

Tel: 0191 5656256

Registered Charity Number 1052366

Scan here for more information about our charity

South Tyneside and Sunderland NHS Foundation Trust Charitable Funds

England & Wales - Charity number 1052366

Accounts

SOUTH TYNESIDE AND SUNDERLAND NHS FOUNDATION TRUST CHARITABLE FUNDS

TRUSTEE ANNUAL REPORT

FOR THE PERIOD 1 APRIL 2023 – 31 MARCH 2024

SOUTH TYNESIDE AND SUNDERLAND NHS FOUNDATION TRUST CHARITABLE FUNDS

TRUSTEE ANNUAL REPORT 2023/2024

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Reference and Administrative Details of the Charity

Registered Address – Charity and Corporate Trustee

South Tyneside and Sunderland NHS Foundation Trust
Sunderland Royal Hospital
Kayll Road
Sunderland
SR4 7TP

The Charity was first registered by the Charity Commission as number 1052366 under a Declaration of Trust dated 7 December 1995 in respect of the former City Hospitals Sunderland NHSFT Charitable Funds (CHS), as amended 24 March 2020 to include the merger with the former Charity South Tyneside General Charitable Fund (ST), registered number 1059500, effective from 1 April 2020. From the 1 April 2020 the merged charity name is South Tyneside and Sunderland NHSFT Charitable Funds.

The Charity's working name is 'STS Charity'.

The Charity's single Corporate Trustee (the Trustee) is South Tyneside and Sunderland NHS Foundation Trust (STSFT).

The Trust Board of Directors in office from April 2023 to November 2024 are:

Chair	Allison Thompson
Chief Executive	Ken Bremner M.B.E.
Executive Directors	Kath Griffin – Executive Director of Human Resources and Organisational Development Melanie Johnson –- Executive Director of Nursing, Midwifery and Allied Health Professionals Peter Sutton – Executive Director of Planning and Business Development Shahid Wahid – Executive Medical Director Hayley Wardle – Executive Director of Finance
Trust Secretary/Director	Andrea Hetherington – Director of Corporate Affairs and Legal/Trust Secretary/Freedom to Speak Up Guardian

Non-Executive Directors	Debbie Carrick-Sen
	Alan Clarke
	Ngozi Lyn Cole
	Stewart Hindmarsh
	Martin Knowles
	Paul McEldon
	Roy McLachlan
	Chris Gray – (non voting)

Professional services are provided by:

Bankers

NatWest bank plc
Government Banking services branch
1000 Cathedral Square
Cathedral Hill
Guildford
GU2 7YL

Investment brokers

Rathbone Investment Management Ltd
Earl Grey House
75-85 Grey Street
Newcastle upon Tyne
NE1 6EF

CCLA
One Angel Lane
London
EC4R 3AB

Independent External Auditor

Robson Laidler Accountants Limited
Fernwood House
Fernwood Road
Jesmond
Newcastle upon Tyne
NE3 1TJ

Independent Internal Auditor

AuditOne
Kirkstone Villa
Lanchester Road Hospital
Durham
DH1 5RD

Trustee Report

Governance, Management and Structure

Whilst all Charities in the NHS must operate within the legal and regulatory framework laid down in the Charities Acts (plus any directions issued by the Secretary of State for Health), a Corporate Trustee has considerable discretion in determining how on a daily basis, the charity operates.

When the Board of Directors is acting in the capacity of Corporate Trustee, there must be recognition that:

1. Charitable Funds are distinct from the exchequer funds provided by Government; and
   In acting as Corporate Trustee the Board of Directors has a separate and distinct responsibility for the administration of the Charitable Funds.

A Corporate Trustee cannot delegate its statutory duties and remains accountable for the Charity's performance but day to day management, can be delegated.

To this end the Charitable Funds Committee (CFC) established on 1st April 2010 continues to oversee the administration of the Charitable Funds in accordance with any statutory or other legal requirements or best practice required by the Charities Commission.

CFC Terms of Reference – as updated November 2023

Membership

Voting members:

2 Non-Executive Directors (one of whom is chair of the CFC)
2 Directors
- Executive Director of Finance
- Executive Director of Nursing, Midwifery and Allied Health Professionals

2 Public Governors

Duly nominated deputies may attend in a Committee member's stead in exceptional circumstances, only with the prior agreement of the Committee Chair.

In attendance:

Director of Corporate Affairs and Legal/Trust Secretary/Freedom to Speak Up Guardian
Associate Director of Finance - Financial Services / Counter Fraud Champion

In attendance by invitation:

Charitable Fundraiser (part of Corporate Affairs function)
External Audit for the presentation of the Accounts
Investment Manager
Any others as required by the Committee

Quorum:

Minimum two members, who must include an Executive and Non-Executive Director.

Voting members during the period April 2023 to November 2024:

Ngozi Lyn Cole	-	Chair of Committee / Non-Executive Director
Hayley Wardle	-	Executive Director of Finance
Melanie Johnson	-	Executive Director of Nursing, Midwifery and AHPs
Anita Hagon	-	Council of Governor Representative
Roy McLachlan	-	Non-Executive Director Council of Governor Representative

CFC Duties

The Charitable Funds Committee will:

1 Ensure charitable funds are grouped in such a way that the wishes of the donors and the needs of the service are optimised.

2 Plan expenditure of charitable funds annually in accordance with Board policy.

3 Make recommendations to the Board of Trustees on issues of policy, investment and strategy.

4 Review and approve any formal income generation schemes as they arise over £20,000.

5 Authorise or decline expenditure which has exceeded delegated limits of individual officers to ensure the duties of Trustees are adequately discharged.

6 Oversee and monitor the functions and responsibilities performed by the Executive Director of Finance as defined in the Standing Financial Instructions.

7 Monitor the use of charitable funds across the organisation, ensuring the scheme of delegation is applied appropriately and funds are utilised for the correct purposes.

8 Monitor the scheme of delegation for expenditure within agreed limits.

9 Receive regular feedback on signed off commitments above £20,000 and approve any expenditure above £20,000. (Expenditure in excess of £200,000 requires formal Board of Directors approval as Corporate Trustee).

10 Ensure adherence to the Trust's Standards of Business Conduct for the ordering and receiving of goods and services.

11 Ensure the Board of Trustees is kept up to date with all matters relevant to their role.

12 The CFC is empowered with responsibility:

- For the 'day to day' management of the investments of the Charitable Funds in accordance with the investment strategy set down annually by the Board of Trustees;
- To oversee and approve the work of the Fundraising Strategy, setting the ambition over the medium and long term.
- To liaise with donors and voluntary organisations to ensure wherever possible the assets donated are those most needed by the Trust,
- To review fund balances to ensure active management and utilisation of these funds,
- To ensure that procedures for Charitable Funds Investment decisions are made which preserves their capital value and produces a maximised return from prudent investment,
- To ensure the appropriate risk registers and associated action plans are in place across the organisation for all risks relating to Charitable Funds. The Charitable Funds risk register will be reviewed every six months,
- To ensure that the Investment Strategy is reviewed annually and approve any amendments as required,
- For the appointment of an Investment Manager to advise on investment matters and delegation of the 'day to day' management of some or all of the investments to the Investment Manager, in line with SFIs and Charities Commission requirements where relevant.
- The Committee will review and present the Charitable Fund Report and Accounts to the Board of Trustees

Conduct of Business

1 Meetings are held on a bi-monthly basis, a minimum of five meetings per year with notice of each meeting together with an agenda and papers being made available to each member no later than five clear days before the meeting.

2 The Executive Administrative Team shall provide administrative support to the Committee and maintain a schedule of matters arising and agreed actions.

Reporting and Review

1 The minutes of the Charitable Funds Committee meetings shall be formally recorded and submitted to the Board of Trustees. The Chair of the Committee will report to the Board of Trustees following each meeting on any issues for escalation.

.2 The Committee will review its Terms of Reference and its effectiveness against the requirements of its Terms of Reference on an annual basis and report the findings to the Board of Trustees.

In May 2018 the General Data Protection Regulation (GDPR) came into force. Under this legislation, any personal data held (e.g. names of living or deceased persons) cannot be disclosed in this Annual Report unless the person has been informed and given consent. Some of the restricted funds held by the Charity were set up under the name of the bequestor. In these circumstances these personal names are not being disclosed in the Financial Statements and Trustee Annual Report (TAR).

The Charity is registered as an Umbrella Charity. Within the one registration, multiple funds are permitted, four of which are registered with the Charity Commission as 'Special Purpose Funds'. The Special Purpose restricted funds are:

- Fund 4280 - Legacy for the benefit of Paediatric physiotherapy and assessment services located at the Children's Centre.
- Fund 9245 - Bequest for the provision of flowers in the chapel on specified dates. Income was received as an endowment.
- Fund 3345 - Leukaemia and Lymphoma Research Fund from a legacy which has a small portfolio managed by Rathbone Investment Management.

The Annual Report and Annual Financial Statements have been prepared to comply with the requirements of FRS102 (Financial Reporting Standard 102), the Charities FRS102 SORP (Statement of Recommended Practice), the Companies Act 2006 and the Charities Act 2011.

The Trustee has had regard to Charity Commission guidance on public benefit in section 4 of Part 1 of the Charities Act 2011.

The information in the Charity's Annual Report regarding its activities and achievements is structured to allow the reader to see how the information sits with the Charity

Commission aspects of Public Benefit Reporting and adds some detail to the financial data in the Financial Statements on pages 30 – 46.

The Charity Commission has set out the following guidance relating to the two aspects of public benefit:

The 'benefit aspect'
The 'benefit aspect' of public benefit is about whether the purpose is beneficial

Legal requirement: to satisfy the 'benefit aspect' of public benefit:

- a purpose must be beneficial - this must be in a way that is identifiable and capable of being proved by evidence where necessary and which is not based on personal views; and
- any detriment or harm that results from the purpose (to people, property or the environment) must not outweigh the benefit - this is also based on evidence and not on personal views.

The 'public aspect'
The 'public aspect' of public benefit is about whom the purpose benefits

Legal requirement: to satisfy the 'public aspect' of public benefit the purpose must:

- benefit the public in general, or a sufficient section of the public - what is a 'sufficient section of the public' varies from purpose to purpose; and
- not give rise to more than incidental personal benefit - personal benefit is 'incidental' where (having regard both to its nature and to its amount) it is a necessary result or by-product of carrying out the purpose.

The main purpose of the Charitable Funds, as contained in the Charity's Trust Deed 'object' clause is to 'apply income for any charitable purpose relating to the National Health Service'. In practice this is wholly or mainly for the services provided by South Tyneside and Sunderland NHS Foundation Trust.

The Trust provides acute and community healthcare services to a core population of over 430,000 people living in and around the borough of South Tyneside and the City of Sunderland, as well as thousands of people from Durham who regularly use our services. We also provide a number of community and other services to people in Gateshead as well as a range of specialist services accessed by patients across the whole of the North East and beyond, serving a population of almost 1,000,000 people.
Approximately 185 individual funds exist within the Charity registration. The majority of the Trust's wards and acute services have access to a fund. Geographically the funds exist to cover South Tyneside District Hospital, Sunderland Royal Hospital, Sunderland Eye Infirmary, the Durham Treatment Centre and community based services in South Tyneside, Sunderland and Gateshead.

Funds which are expected to hold a balance of £5,000 or more can only be set up with CFC approval.

The existence of a fund to cover a specific ward, specialty, or activity is dependent on any or all of the following being received:

- Private individual donations, which include personal fundraising;
- Corporate sponsorship/support - freely given with no commercial gain or advantage to the donor – e.g. to support training events or equipment purchases;
- Legacies;
- Institutional support – e.g. from Universities in furtherance of pre-existing charitable research projects;
- Charity support – e.g. for equipment purchases or to develop training facilities or for General Purposes;
- Clinicians electing to waive their personal fee for private work and opting to have the fee donated to the Charity;
- Staff lottery; and/or
- Fundraising - Corporately organised.

Each fund has at least two designated managers. Fund managers have a delegated authority from the CFC to oversee their particular fund(s). Approval limits for authorising expenditure mirrored the controls in place for STSFT during 2023/2024 with the exception of standard fund holders who have a limit of up to £1,000 per transaction, which is lower than their limit for revenue transactions.

Any order valued at £20,000 or more requires a written proposal which must be presented to the CFC for consideration.

Any order which is Capital in nature (a fixed asset valued at £5,000 or more that will be donated to the Foundation Trust) must first receive approval to proceed from the Capital Medical Equipment Sub Group. Any information technology (IT) requests must first be approved by the IT department.
Capital orders of £100,000 and above must also be approved by the Capital Development Steering Group (CDSG).

Accounting functions and the day to day administration of the funds are handled by the Charitable Funds and Capital Finance Officer within the Financial Services Department, located in Ward 17, South Tyneside District Hospital, Harton Lane, South Shields, NE34 0PL. The charity has a financial ledger system which is operated independently from the STSFT's own system.

The Charity currently has investments managed by both the CCLA and Rathbones. In early 2021 the Investment Management contract re-tendered, and Rathbones was successful in being reappointed.

The investment broker Rathbones, as Nominee manages the investments on a discretionary basis and is required to provide at least a quarterly portfolio valuation and attend nominated CFC meetings to advise on performance, opportunities and possible market concerns. Its performance is reviewed annually by the CFC.

The Nominee manages three portfolios, two of which resulted from legacies and are earmarked for specific funds. The portfolios are:

- The Main Portfolio - for the benefit of all funds except the Special Purpose Funds;
- Fund 3345 - Leukaemia and Lymphoma Research (Special Purpose Fund); and
- Fund 2470 – Incorporating a bequest for the benefit of the Eye Infirmary which has a small portfolio managed by Rathbone Investment Management. This is for the benefit of the Eye Infirmary, held within the Eye Infirmary General Purpose fund.

Risk and Assurance

The Charity has assessed the major risks to which it may be exposed and has put in place policies and procedures to mitigate these risks. In particular:

- The internal controls of STSFT have been adopted by the Charity;
- The Charitable Funds Administrator/Procurement Department/General Office verify that all items requested from the funds are adequately authorised and in accordance with the objects of the Charity; and
- The Charity maintains a register of potential risks which is reviewed every six months.

A significant area of uncertainty that affects the carrying value of assets held by the Charity is the performance of investment markets. The performance of the Investment Broker is reviewed as a minimum on a quarterly basis by the Trustee. The following projection covers up to 12 months following the 2023/24 audited accounts sign off.

Based on the Charity's available cash resources at the date of the financial statements approval, the Trustee considers that there are no material uncertainties about the Charity's ability to continue as a going concern up to 30 November 2025.

Uncertainties over the level of future income constitutes a risk to the going concern of the Charity. To this end, expenditure commitments are logged and reviewed by the CFC to ensure they have not exceeded monies held as cash and cash equivalents.

The Charitable Funds Committee commissioned a Strategic Review for the charity, the outcome of which was discussed at the CFC meeting on 13 June 2024.

The risks around investment balances have been mitigated through the holding of balanced portfolios fully managed through the Nominee where the asset allocation mirrors the Charity Commission recommendation that no one investment should on average comprise more than 5% of the portfolio.

The Charity's operation and records are reviewed and tested by the external auditors Robson and Laidler Accountants Limited (Robson and Laidler) as part of the statutory annual audit on the information reported within the Charity's Annual Financial Statements. Robson and Laidler also review the Annual Report and report their audit findings to the CFC. The auditors of the STSFT annual Financial Statements, Mazars LLP also review

the charity's financial position in the context of the charity position being consolidated in the STSFT Group Financial Statements.

Protecting vulnerable people and Data Protection

The Charity exercises care and sensitivity when engaging with its donors and any activities involving vulnerable people. As an NHS Corporate Trustee Charity, the Charity adheres to the Trust's Safeguarding, Equality Diversity and Human Rights, Dementia,

Learning Disabilities, Mental Health Awareness, and Freedom to Speak Up and Information Governance and Data Security policies.

Objectives and Activities

The Trust Deed permits funds to be used for any charitable purpose(s) relating to the National Health Service. The objective of charitable funds expenditure is to provide an enhancement to patient/public benefit by being over and above what would be provided as part of STSFT's core services whilst also fulfilling the Charity Commission requirements on 'public benefit'.

Donors may express a wish as to the application of a specific gift, providing it falls within the overall purpose of the Charity. Gifts received by way of legacies must be applied in accordance with the terms of the Will. The Charity does not accept legacies where it feels it cannot meet the terms of the Will. There are no funds to benefit specific named individuals, nor is any expenditure incurred that benefits a sole individual.

The CFC issues an 'Acceptable Spend Areas' list to senior managers, last updated in August 2023. It also contains a list of items that will not generally be funded via Charitable Funds.

In practice, funds are expended mainly on amenities for patients, medical equipment purchases and training. Financial support for staff employed at Sunderland to extend their knowledge through training or research is available because it enhances the skill set used in the delivery and management of healthcare. Funding for the Trust's Staff Recognition Awards event is permitted by the CFC and in April 2023 the Trust held its first staff event since the COVID-19 pandemic, although in this instance the majority of the costs were covered by the Corporate Affairs department revenue budget.

The CFC delegates day-to-day management of the funds to designated fund managers who may also be operational service managers, with responsibility that may include clinical input within STSFT. These managers can thus tailor expenditure to provide defined benefits that are available to all service users.
Donations are allocated to a designated fund on receipt, by reference to the source of the donation and to the donor's instructions, if expressed.

Fundraising

The post of Fundraising Officer was created in February 2016 as part of the Corporate Affairs function. The post-holder is tasked with raising the profile of the Charity, with the aim of increasing income from donations and fundraising. An increase in income would permit the Charity to increase its spending, benefitting the provision of healthcare. South Tyneside and Sunderland NHS Foundation Trust is actively seeking to appoint to this post, vacant since December 2021.The Charity has however continued to provide advice and support to individuals and groups who have chosen the Charity to benefit from their fundraising efforts. The Strategic Review addresses the role of Fundraising and raising the profile of the Charity.

The Charity voluntarily subscribes to the Fundraising Regulator and its Code of Fundraising Practice. The Regulator assumed responsibility for regulating fundraising from July 2016 and investigates and takes appropriate action on cases of public concern.

The Charity continues to run a monthly staff lottery draw. The lottery is licensed by the City of Sunderland Council under The Gambling Act 2005. The lottery proceeds may only be used for purposes falling within the Charity's objects clause.

Source and application of funds

Funds are used for both the purchase of relatively minor items for which NHS funding would otherwise not be available and also individual larger items of medical equipment or appropriate building work which are gifted to the Trust as donated Capital Assets and appear on the STSFT Statement of Financial Position.

The charitable funds have continued to provide a valuable resource to enable STSFT to provide additional facilities for patients and staff which otherwise would not have been possible.

Sources of funds are principally individual donations and legacies. Fundraising by volunteers and also the staff lottery contribute towards income. Income is also received received by way of fees for courses run by STSFT. Course fee income can only be held within charitable funds if the purpose is purely educational and the courses are not run for the purpose of income generation. The advancement of education is not the Charity's primary aim, but in providing education, that increased knowledge base allows for the development and advancement of healthcare delivery.

CHoICE, the wholly owned subsidiary company to STSFT, once again donated to the Charity. Procurement services are provided to STSFT by CHoICE, but CHoICE does not control what its donation is spent on, nor does it directly procure goods on behalf of the Charity. During 2023/24 CHoICE made another substantial donation to the Charity of £2,000k (2022/23: £2,500k).

Income from donations alone decreased slightly in 2023/24 totalling £2,406k (2022/23 - £2,680k), principally due to a slightly lower donation from CHoICE. Legacy receipts

totalled £373k (2022/23: £57k), with the increase being one substantial legacy to Paediatrics.
General personal donations were £160k (2022/23: £150k), with the increase primarily form those donating over £1k.

Achievements and Performance in support of the Charity's primary aim

Patient and staff welfare and amenities

The charity made contributions to patients and staff welfare and amenities totalling £582k during the course of the year (2022/23 - £430k). In doing so the Charity was able to make a difference by funding specialist staff to provide services not funded by the NHS and to replace and upgrade furniture and equipment for the benefits of patients as well as the staff who provide vital clinical services.

Specialist staff:

The 'Thrive' staff psychology scheme being initially funded through donations and grants received in response to the Covid19 pandemic commenced in July 2021. The scheme's aim was to help staff deal with the stresses experienced during both the height of and the recovery from the Covid19 pandemic. Charitable funds continued to support the scheme in 2023/24 until the dedicated funding was exhausted (£226k).

The two year pilot post of an 'Inclusion Advisor' concluded in March 2024 (£55k)

A new Podiatry Tissue Viability nursing post being trialled for one year across wards commenced in June 2023 (£49k).

The two year post of bereavement lead within maternity services which commenced in October 2021 concluded in 2023/24 (£26k).

The administrative support to the multiple sclerosis service (£12k) became an STSFT revenue cost during 2023 once the dedicated contributions to charity funding were exhausted.

In 2023/24 the Cancer Information and Support Centre located at Sunderland Royal Hospital, and its sister centre at South Tyneside District Hospital, known as the 'Rise Above Cancer' fund received £29k income from donations and spent £31k for the benefit of cancer patients and their families (2022/23 - £30k income, £26k spent).

The fund works in partnership with Macmillan Cancer Support but does not receive funding from Macmillan to fund services such as complementary therapy or legal advice. The fund is reliant on donations and fundraising to support the many resources supplied to patients and their families in connection with bereavement and supporting children to understand and manage their feelings due to a family member's cancer diagnosis or passing.

Supporting patients with the side effects of cancer treatment is a service that is seen as necessary and headwear, such as bandanas, is provided for ladies who have hair loss due to chemotherapy, at a low or no cost.

Complementary therapies (£16k), were offered to help with the side effects of treatment, or anxiety and sleeping issues. The fund supported 206 patients and carers to access complementary therapy or auricular acupuncture from 1 April 2023 to 31 March 2024. Legal advice (£10k) is an ongoing service which supports patients with, for example, Will writing, including death bed Wills, Power of Attorney, debt management and guardianship issues. It is seen as a valuable service to patients, giving them peace of mind that their legal affairs are in order.

The centres also provided patients with 'Comfort Support packs' which contained a pocket hug. worry worm, notebook and pen, hand gel, lavender bag, angel and sweets, with crafted items generously made and donated by team members from a local corporate employer. The ladies also received a pashmina, these were kindly donated by the Scamp and Dude company. Male patients did not miss out! They received bamboo socks, via a kind donation.



Over the financial year the centre supported 4,367 people who accessed its services, this was a 22.9% increase in the number of referrals compared with the previous year. The largest number of referrals are for financial support, ensuring patients are receiving all of the State benefits they are entitled to, alongside providing Macmillan grants if appropriate.

The service benefits a range of cancers including breast, prostate, lung, bowel, liver, stomach, and gynaecological.

Furniture and fittings (£51k) (2022/23 - £138k): Includes - the replacement of desk seating in the Education and Training Centre at SRH (£17k), seating in the patient area of the Diagnostic Imaging department (£8k), outdoor picnic tables for staff and patients (£5k), bed settees and stackable visitor chairs, and resident rooms dry wipe notice boards in Haven Court (£4k), glideaway guest beds in Paediatrics (£4k), collapsible mattresses and dementia friendly clocks in the SRH Emergency Department (£4k), various items of furniture to benefit service users on wards B26 and D46 (£5k).

Other (£63k) (2022/23 - £92k) – Various patient 'distraction' and therapy devices and programmes were brought on board which cover Haven Court, Elderly Medicine, Renal and chemotherapy services (£23k). A Patient Safety Conference was held in the summer of 2023 with speakers attending from external organisations (£12k). The smaller value items funded during the financial year include Christmas gifts for patients occupying a bed on Christmas morning and for children undergoing treatment in the week before Christmas (£19k). Chemo bandanas, crockery and soft furnishings, Cuski mini boo swaddling items for NNU, patient manicure sets, and such like (£5k). The charity has

continued to support Comfort Care packs for visitors staying over at short notice and End of Life packs, provided to vulnerable patients being cared for at home (£2k).

The Charity is also pleased to report that it was also able fund the cost of Patient TV during the King's Coronation celebrations allowing all patients to have free access should they choose to watch, and special Coronation baby grows and Royal Mint coins were provided to newborns (£2k).

Contributions to NHS

The Charity also made contributions to the NHS worth £3,878k (2022/23 - £517k) that are included under Donated Capital Assets in STSFT's Statement of Financial Position.

The equipment assets purchased include: Total £2,845k

Theatres Division: Total £2,540k

- Spec T Gamma camera (£1,635k), including turnkey building work required for installation. - SPECT-CT systems are tomographic gamma cameras combined with a CT camera analogous to PET-CT, which enable "functional" gamma camera images that lack detailed anatomical location to be superimposed on anatomical CT images. The combined images are more specific and therefore diagnostic results are more accurate which in turn improve patient outcomes. This enables the Trust to provide world class nuclear medicine imaging by improving quality. It also helps ensure the Trust maintains its vision as the 3rd centre in the North East by maintaining appropriate investment in currently accepted standards for imaging equipment. This in turn will help attract radiologists with a specialist interest in nuclear medicine to the Trust.
- Head and Neck theatres – ENT (Ear Nose and Throat) Oral and Maxillofacial surgery microscopes x 4 (£377k) – these microscopes are especially useful in microsurgery techniques (e.g. nerve repair and grafting, blood vessel repair and grafting, free tissue transfers) because of their premium Fusion Optics technology which allows the surgeon to see more in one fully focussed view.
- Endoscopy theatre – EBUS (£73k) – is an Endobronchial Ultrasound system. It has a high diagnostic value with low risk allowing real time guidance in needle aspirations and is used when testing for various diseases including lung cancer.
- F2 theatre – Anaesthetic machines x 4 (£71k) – These machines offer lung protective ventilation functionalities and will allow the opening of the F2 level theatre.
- South Tyneside theatres – Image Intensifier (£70k) – used in general surgery and urology procedures. Replaces an older machine to ensure the length of time patients are on the operating table is minimised.
- Theatre – Solitive laser (£60k) – for laser prostate and renal stone surgeries. Requires no surgical incisions resulting in the benefits of low risk of bleeding, decreased pain, reduced risk of complications and quick recovery times.
- ENT and Orthopaedic theatres - monitoring stack and cameras (£56k)
- South Tyneside theatres – Replacement Sonosite (£46k) – An ultrasound device used for regional anaesthesia

- F2 theatre – monitors (£28k)
- Maternity theatres – Rapid Infuser (£22k) -used to deliver a rapid volume of fluids including blood products warmed to a specific temperature to patients with a major haemorrhage.
- Theatres – Neurotherm (£21k) - Radiofrequency denervation is a minimally invasive technique that involves the safe destruction of the nerve supply to painful joints. The benefits to patients include a longer lasting result compared with having injections to reduce pain, reduced pain, increased mobility, improved function, very low risk, minimal recovery time, day case treatment, avoidance of spinal fusion surgery.
- Theatres – Bariatric trolleys (£18k) - as the regional centre for bariatric surgery (obesity) these trolleys allow safer and more comfortable moving of patients
- Main theatre SRH – ECG machine (£10k)

Medicine Division: Total £194k

Cardiothoracic Directorate –

- MRI in CIED (£65k) jointly used with the Radiology service - Patients with cardiac pacemakers or defibrillators (collectively termed cardiac implantable electronic devices- CIEDs) are likely to benefit the most because they are older (one in 50 people over 65 have a pacemaker) and have more comorbities. Previously they have been prevented from having MRI scans due to historical safety concerns, resulting in more invasive, inaccurate testing. This equipment allows these patients access to MRI scanning.
- Rebus probes and navigator (£64k) – a bronchoscopic technique using real time ultrasound imaging to guide thoracic lymph node sampling, which helps diagnose then treat lung cancer at its earliest stage
- Portable ECG machine (£31k) generously funded from a specific patient donation

Medical Specialties Directorate –

- Scalp coolers x 3 (£34k) – Phoenix Unit – can assist with reducing hair loss during chemotherapy treatment

Surgical Division: Total £133k

Trauma and Orthopaedics Directorate –

- Bone scalpel (£44k) – provides a gentler osteotomy compared with standard bone cutting tools. This tool is particularly important during spinal surgery
- High Speed Drill (£35k) – will allow more cases to be operated on simultaneously

Ophthalmology Directorate –

- Slit lamp biomicroscope (£35k) – improves the ability to assess patients of all ages and with disabilities

Head and Neck Directorate - Dental Laboratory

- Oral 3D Scanner and printer package (£19k) – The scanner creates a 3D virtual model of the mouth and teeth, which can be e-mailed, attached to a CT scan for planning, or even printed out on 3D printer for modelling. The 3D printer, allows for the rapid processing of orthodontic, restorative and orthognathic patient models and enables the in-house manufacture of surgical splints.

Various VAT refunds and supplier credit notes £22k

The building schemes assets funded include: Total £1,033k

NeoNatal Parent Accommodation upgrade and expansion

- Within NNU itself (£599k) – completed March 2024, fully open April 2024
- Within Trust Headquarters building (£361k) – completed August 2024

Bike shelters at South Tyneside hospital site (£38k) – secure shelter for staff and visitor use

Christmas light decoration displays – installed externally on buildings at South Tyneside District Hospital (£35k)

Training and Education Support

During 2023/24, a number of different course types were run by the Trust's Training Department for both STSFT staff and professionals outside the Trust. These include the Advanced Trauma Life Support (ATLS), Advanced Life Support (ALS), Advanced Paediatric Life Support (APLS), Neonatal Life Support (NLS), Immediate Life Support (ILS) and Paediatric Immediate Life Support (P ILS).

Experts to facilitate these courses are sourced from across the UK. Both qualified and trainee medical and nursing staff in the UK attend these courses to extend or maintain their skills in accordance with current best practice. Courses held in 2023/24 generated £93k (2022/23 - £80k) at a cost of £91k (2022/23 - £56k). Expenditure includes equipment for course provision.

Course attendance consists of members of staff from STSFT as well as other organisations.

Achievements and Performance - Investments

Traded investments and cash - income totalling £433k (2022/23- £173k).

Traded investments - Rathbones		Fixed Interest Holding - CCLA		COIF** deposit accounts		Current account bank interest	
2023/24	2022/23	2023/24	2022/23	2023/24	2022/23	2023/24	2022/23
£000	£000	£000	£000	£000	£000	£000	£000
90	77	0	13	26	15	317	68

** Charities variable interest deposit fund held with CCLA Investment Management, an investment body serving charities, churches and the public sector.

Portfolio investments through Rathbones provide an income stream as well as aiming to provide capital growth in the long term to enable income streams to better withstand inflationary pressures.

In line with the ethos of promoting patient care, the Corporate Trustee attempts to ensure that all investments are ethically and environmentally sound, and are not opposed to the purpose of the Charity.

The investment strategy includes the following:

The prime investment objective is to achieve a balanced portfolio between income and capital growth. The preferred level of investment risk is defined as 'Medium'. There should be no investment in companies associated with the production of Armaments, Alcohol or the Tobacco industry. Although not strictly prohibited, sensitivity should also be given to investments in other industries associated with Alcohol, Armaments or Tobacco production

Rathbone statement

The last financial year saw markets turn more positive as the inflationary shocks caused by the Covid pandemic and war in Ukraine finally appeared to unwind. Investors remained focused on any signals from Central Banks that they would declare victory in bringing inflation under control by beginning to cut interest rates. However, this was set against a backdrop of increasing tension in the Middle East and political uncertainty in developed economies with a number of elections due to be held during 2024. As such, equity markets, although positive, were volatile as investors came to terms with the fact that interest rates in developed economies would not be cut as quickly as was expected at the end of 2023.
The first quarter of 2024 saw a technical recession in the UK which proved to be short-lived. However, the U.K. economy is not showing signs of sustained growth yet amid uncertainty for the outlook for inflation and as investors await outcomes after the General Election.

The EU economy remains in similar shape but the US has been running hotter than expected, backed by strong employment numbers and inflation falling more slowly than was previously predicted.

Looking at the investments, the portfolio posted a solid annual gain of 8.8% for the year, with returns dominated by a handful of the largest US technology holdings, dubbed "The Magnificent Seven." Such was their dominance that they contributed to more than two-

thirds of the total world equity market gain during 2023 and while the portfolio retains some exposure, it is underweight against the market indices which resulted in an overall underperformance against the composite benchmark gain of 11.0%. The portfolio contains a mix of holdings across the globe, invested for both growth and income which was beneficial during the first quarter of 2024 as the concentration of performance seen during 2023 dissipated - as the likelihood of global recession recedes, more and more global companies have been able to participate in 2024's rising markets. However, with significant geo-political risks remaining (and even building) it is important to retain a well-balanced and disciplined investment approach across asset classes, regions and sectors in order to guard against potential shocks.

Financial Review of 2023/24

As at the 31 March 2024 the value of the funds was £9,135k. This represents a net decrease of £1,140k on the 31 March 2023 Financial Statements value of £10,275k.

There was a focus on utilising funds for the benefit of patients and staff resulting in a net funds decrease of £1,353k (2022/23: net increase £1,959k), with Capital purchases of £2,845k, mostly theatre equipment, driving this. This net expenditure was offset by a net gain on investments of £213k (2022/23 - net loss £239k)

The Royal Voluntary Service (RVS) recommenced donations in 2023/24 totalling £220k which included guaranteed gifting of £160k plus a one off donation of £60k (2022/23: nil). CHoICE, the commercial enterprise wholly owned by the STSFT reduced its donation by £500k to £2,000k (2022/23: £2,500k).

Please refer to note 2 of the Financial Statements for financial data surrounding income received.

The majority of volunteer fundraisers have very strong personal reasons for supporting a particular service. Thank you to all the individuals, groups, schools, churches, many fellowships and clubs and employers who have generously supported STSFT's Charitable Funds.

The total resources expended were £4,663k (2022/2023: £1,096k) an increase of £3,567k.
This increase is primarily attributable to Capital Asset contributions to the NHS consisting of medical equipment and building schemes that have been considered and approved by the Charitable Funds Committee during the course of 2022/23 and 2023/24. This will vary from one year to another reflect specific proposals received from the Trust.

Expenditure spanned the usual range of patient amenities which include regular events such as Christmas presents for patients occupying a bed on Christmas Day, babies born over Christmas and children attending theatres and A&E over Christmas, staff amenities were principally the costs of delivering the Thrive staff psychology service, the Inclusion

Advisor staff post and furniture for the Education and Training Centre. A lesser sum was expended on Retirement gifts and long service award vouchers as these became a Trust revenue cost with effect from 1 September 2023.

Reserves Policy

The Trustee's Reserves Policy forms part of the plan to provide long term support to STSFT for new equipment, patient and staff benefits. The Charity's General Purpose fund is available for Trustwide initiatives and as such is classed as the ' free reserves'.

The Trustee intends that designated funds are spent within a reasonable period of receipt unless funds are reserved for major future developments and therefore foresee a need only to maintain reserves sufficient for general Trust-wide funding applications.

The Trustee continues to review the balances held within designated funds in accordance with the provisions of the NHS Acts relating to Charitable Funds, to determine whether these funds are likely to be committed in the near future and the extent to which there is a continuing need identified. In the event that the need identified no longer exists, those

funds will be directed to the General Purpose Fund which is managed by Corporate Affairs.

Free reserves held within the General Purpose fund amounted to £303k (£445k reported at 31 March 2023).

Balances may be accumulated in an individual fund prior to the commencement of a project or the purchase of an expensive piece of medical equipment; this is to ensure that there are sufficient resources before commitment so that other earmarked funds are not placed at risk. STSFT is responsible for the day to day running costs and maintenance of equipment purchased through donated funds.

The CFC continues to take an active interest in reviewing fund usage to establish that funds are used appropriately and in a timely, controlled manner.

There are no funds in deficit.

Our Thanks

To CHOICE, whose monies were and will continue to be used to fund a number of major medical equipment purchases and during the course of the 2024/25 financial year the charity is expecting to continue to make a significant contribution towards the Trust's medical equipment programme.

We are grateful to the RVS for their contribution from profits and to the South Tyneside League of Friends which used their funds to support a number of applications by wards.

As always, the Charity is grateful to the countless volunteer fundraisers who dedicate time and energy to raising funds for a number of specific services. Whatever the value of

a donation made, we are grateful to all our donors and we acknowledge that for many, 2023/24 continued to be a challenging year both financially and emotionally. We value the letters of thanks that are received, and our sympathies remain with families and friends who donate or continue to fundraise in memory of loved ones.

Without the on-going and tireless support of organisations, volunteers, individuals and their families, the Charity would not be able to pursue the many projects undertaken this year. To all of our donors we give our thanks and hope for your continued support in the years to come.

Plans for the Future

The Cancer Information and Support Centre located at Sunderland Royal Hospital, and its sister centre at South Tyneside District Hospital, known as the 'Rise Above Cancer' fund continues to support the Personalised Patient Care Programme to look at Survivorship Activities Programmes. Sadly, cancer services are still seeing an increase in referrals of patients with less than six months to live, with increasing numbers of younger patients with young children, for whom benefit advice and legal advice services are vital, and costs are expected to increase.

The centre is looking at ways to continue to supply 'Comfort Support packs'.
A project to trial two fundraising contactless donation points machines, initially at Sunderland Royal Hospital got underway in April 2024, with donors able make a donation by debit or credit card. The Corporate Affairs department is overseeing where they are located and departments can approach Corporate Affairs to take a machine if they have a specific event in mind where a machine might be useful to have.

The monies donated by CHoICE were and will continue to be used to fund a number of major medical equipment purchases.
During the course of the 2024/25 Financial Year, the charity is again making a significant contribution to the Trust's medical equipment capital programme, in the order of £1,613k.

It is expected these will make a significant enhancement to the provision of patient care at the various hospital and outpatient sites operated by South Tyneside and Sunderland NHS Foundation Trust. In some cases the items will provide additional capacity, a welcome support as the Trust continues to actively manage its back log of patients following the COVID 19 pandemic.
The provision of additional parent accommodation within Trust Headquarters on the Sunderland Royal Hospital site, in support of services in the NeoNatal Unit (NNU) is expected to complete in 2024. This accommodation and the enhanced provision already within the NNU is designed to provide a 'home from home' to help parents cope with the demands of having a child in the NNU.

Alongside our plans for a new Eye Hospital, we've also launched our Vision charity appeal. This aims to help raise vital funds so that Sunderland stays at the forefront of the very latest eye treatments and cutting edge technologies. Money raised through the

Vision Appeal will help fund even more state-of-the-art equipment for the new Eye Hospital.

The fund balances carried forward to 2024/25 will continue to be used to enhance services and resources for the provision of healthcare by South Tyneside and Sunderland NHS Foundation Trust. In line with the legal requirement to provide and demonstrate wide ranging patient benefit, the most effective use of our Charitable Funds will continue to be monitored by the CFC.

To view the Charity's current and previous Trustee Annual Report and Financial Statements and for further information on areas such as Charities Act updates, Public Benefit Guidance and Good Governance please visit www.charitycommission.gov.uk.

By Order of the Trustee

Signed.....(Executive Director)

Dated...07 NOVEMBER 2024.....

Statement of Trustee responsibilities

The Trustee 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).

The law applicable to charities in England and Wales requires the 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 Trustee is required to:

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

The Trustee is 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.

On behalf of the Trustee
Signed:

Director ..... Date 07 NOVEMBER 2024

Director ..... Date 07 NOVEMBER 2024

Independent auditor's report to the trustees of South Tyneside and Sunderland NHS Foundation Trust Charitable Funds

Opinion

We have audited the financial statements of South Tyneside and Sunderland NHS Foundation Trust Charitable Funds (the 'charity') for the year ended 31 March 2024 which comprise Statement of Financial Activities, Balance Sheet, Statement of Cash flow and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2024 and of its net income and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 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 trustees' 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 trustees with respect to going concern are described in the relevant sections of this report.

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 trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF CITY HOSPITALS SUNDERLAND NHS FOUNDATION TRUST CHARITABLE FUNDS (CONTINUED)

In connection with our audit of the financial statements, 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 in the course of 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' Report; or
- sufficient accounting records have not been kept; 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.

Responsibilities of trustees

As explained more fully in the trustee responsibilities statement set out on page 23, 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 trustees determine 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 are 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 trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF CITY HOSPITALS SUNDERLAND NHS FOUNDATION TRUST CHARITABLE FUNDS (CONTINUED)

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 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 as a whole 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 on the basis of the financial statements.

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. Based on our understanding of the charity and its activities, we identified that the principal risks of non-compliance with laws and regulations related to the UK tax legislation, pensions legislation, employment regulation and health and safety regulation, anti-bribery, corruption and fraud, money laundering and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Charities Act 2011 and the Charities Statement of Recommended Practice.

We evaluated the trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, and significant one-off or unusual transactions.

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- Discussing with the trustees and management their policies and procedures regarding compliance with laws and regulations;
- Communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the charity which were contrary to applicable laws and regulations, including fraud.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF CITY HOSPITALS SUNDERLAND NHS FOUNDATION TRUST CHARITABLE FUNDS (CONTINUED)

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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

Use of our report

This report is made solely to the charity's trustees, 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 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 the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Signed:

M Moran

Michael T Moran BA FCA (Senior Statutory Auditor)

For and on behalf of Robson Laidler Accountants Limited
Statutory Auditor
Fernwood House
Fernwood Road
Jesmond
Newcastle Upon Tyne
NE2 1TJ

Date: 11 November 2024

Robson Laidler Accountants Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

SOUTH TYNESIDE AND SUNDERLAND NHS FOUNDATION TRUST CHARITABLE FUNDS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

FOREWORD

These financial statements have been prepared by the Trustee under Part 8 of the Charities Act 2011, and in accordance with the Charities Statement of Recommended Practice (FRS102).

STATUTORY BACKGROUND

For the Financial Year 2021/2022 South Tyneside and Sunderland NHS Foundation Trust (STSFT) was the Corporate Trustee of the Charitable Funds. STSFT was established on 1 April 2019.

The South Tyneside and Sunderland NHS Foundation Trust Charitable Funds are registered with the Charity Commission (registered number 1052366) and include funds in respect of services at the Sunderland Royal Hospital, Sunderland Eye Infirmary, South Tyneside District Hospital, as well as some Community services and services located at the Children's Centre, Sunderland. Prior to 1 April 2020 charity number 1052366 was registered as City Hospitals Sunderland NHS Foundation Trust Charitable Funds. The registered charity South Tyneside Trust General Charitable Fund, registered charity number 1059500, whose Corporate Trustee is also South Tyneside and Sunderland NHS Foundation Trust, merged with the registration number 1052366 on 1 April 2020.

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.

MAIN PURPOSE OF THE CHARITABLE FUNDS

The main purpose of the Charitable Funds is to apply income for any charitable purpose relating to the National Health Service, for the services provided by STSFT.

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2024

	Notes	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	**Total 2024 Funds £000**	Total 2023 Funds £000
Income from:						
Donations & Legacies	2	2,776	3	0	**2,779**	2,737
Grants	2.4	0	0	0	**0**	60
Charitable Activities	3	93	0	0	**93**	80
Other Trading Activities	4	5	0	0	**5**	5
Investments	9.3	417	9	7	**433**	173
Total Income		3,291	12	7	**3,310**	3,055
Expenditure on:						
Raising Funds	5	(28)	(1)	0	**(29)**	(27)
Charitable Activities	6	(4,633)	(1)	0	**(4,634)**	(1,069)
Total Expenditure	7	(4,661)	(2)	0	**(4,663)**	(1,096)
Net Gain / (Loss) on investments	9.1	203	10	0	**213**	(239)
Net Income / (Expenditure)		**(1,167)**	**20**	**7**	**(1,140)**	**1,720**
Transfer between funds		7	0	(7)	**0**	0
Net movement in funds		**(1,160)**	**20**	**0**	**(1,140)**	**1,720**
Reconciliation of Funds:						
Total funds brought forward		9,950	166	159	**10,275**	8,555
Total funds carried forward	**13**	**8,790**	**186**	**159**	**9,135**	10,275

All results derive from continuing operations.
All gains and losses recognised in the year are included in the above.
There is no material difference between the net incoming resources stated above and their historical cost equivalents.

Registered charity number - 1052366

BALANCE SHEET AS AT 31 MARCH 2024

	Notes	Unrestricted Funds	Restricted Funds	Endowment Funds	**Total 2024 Funds**	Total 2023 Funds
		£000	£000	£000	**£000**	£000
Non current assets						
Investments	9.1,9.2	3,609	154	0	**3,763**	3,481
Total non-current assets		3,609	154	0	**3,763**	3,481
Current assets						
Trade and other receivables	10	19	1	0	**20**	44
Cash and cash equivalents	11	6,833	50	159	**7,042**	7,035
Total current assets		6,852	51	159	**7,062**	7,079
Current liabilities						
Trade and other payables	12	(1,671)	(19)	0	**(1,690)**	(285)
Net current assets		5,181	32	159	**5,372**	6,794
Total net assets		**8,790**	**186**	**159**	**9,135**	10,275
Retained funds of the Charity						
Endowment Funds	13.1	0	0	159	**159**	159
Restricted Income Funds	13.3	0	186	0	**186**	166
Unrestricted Income Funds	13.5	8,790	0	0	**8,790**	9,950
Total retained funds of the Charity		**8,790**	**186**	**159**	**9,135**	10,275

The financial statements on pages 30 to 46 were approved by order of the Trustee on 2024
and signed on its behalf by:

KW Bremner M.B.E.
Chief Executive, South Tyneside and Sunderland NHS Foundation Trust, Corporate Trustee

STATEMENT OF CASHFLOW

	Year Ended 31 March 24 £'000s	Year Ended 31 March 23 £'000s
Net income and expenditure for the reporting period	(1,140)	1,720
(Increase) in current debtors	24	(9)
Investment income received	(433)	(173)
Net Loss on investments revaluation	(213)	239
(Decrease) / Increase in current creditors	1,405	(358)
Net cash inflow/(outflow) from operating activities	**(357)**	**1,419**
Disposal at sale proceeds values	303	1,274
Acquisitions at cost	(372)	(1,204)
Investment income received	433	173
Net cash inflow/(outflow) from investment activities	**364**	**243**
Net cash inflow/(outflow) cash and cash equivalents	**7**	**1,662**
Cash and cash equivalents at beginning of the period	7,035	5,373
Cash and cash equivalents at end of the period	**7,042**	**7,035**

NOTES TO THE FINANCIAL STATEMENTS

1 Accounting Policies

1.1 Basis of preparation

These financial statements have been prepared under the historical cost convention as modified by the inclusion of investments at market value, in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective from 1 January 2019) – Charities SORP (FRS 102), the Companies Act 2006 and the Charities Act 2011.

The principle accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

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

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

The uncertain economic outlook and the variability in income from donations and legacies year-to-year represents a significant area of financial uncertainty for the Charity. The Charity mitigates this risk through maintaining diversity in its income streams and upholding expenditure authorisation controls to prevent over-commitment of funds. Therefore, this is not anticipated to represent a risk to going concern.

A significant area of uncertainty that affects the carrying value of assets held by the Charity is the performance of investment markets. The performance of the Investment Broker is reviewed as a minimum on a quarterly basis by the Trustee.

The Charity's functional and presentational currency is the pound sterling and is rounded to the nearest £'000.

1.2 Structure of funds

Where there is a legal restriction on the purpose to which a fund may be put, the fund is classified either as:
- A restricted fund; or
- an endowment fund.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor. Where the restriction requires the gift to be invested to produce income but the Trustee has the power to spend the capital, it is classed as expendable endowment.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor. Where the restriction requires the gift to be invested to produce income but the Trustee has the power to spend the capital, it is classed as expendable endowment.

Endowments are held as expendable endowments unless there is a specific term in the bequest stating the capital element should be held in perpetuity. Under such bequests, the capital value will be maintained, income generated by capital in perpetuity can be spent.

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

The major funds held in each of these categories are disclosed in note 13.

1.3 Income

a) Donations, staff lottery, royalties, investment income, course and conference fees:

All income is included in full in the Statement of Financial Activities as soon as the following three factors can be met:

(i) entitlement – arises when income is receivable or the Charity's right becomes legally enforceable;

(ii) probable – when it is more likely than not that the income will be received; and

(iii) measurement – when the monetary value of the income can be measured with sufficient reliability and the costs incurred for the transaction can be measured reliably.

Where there are terms and conditions attached to income, particularly grants, then these terms or conditions must be met before the income is recognised as the entitlement condition will not be met until that point. Where terms or conditions have not been met or uncertainty exists as to whether they can be met then the relevant income is not recognised in the year but deferred and shown on the balance sheet as deferred income.

Income, except for investment income, is allocated to a fund in accordance with the donor's/payer's intention. Investment income is held in suspense funds prior to being apportioned, except for dividends and interest received from two of the portfolios which are allocated direct to funds.

b) Legacies:

Legacies are accounted for as income once the receipt of the legacy becomes probable or is within the control of the Charity. 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.

Legacies are allocated to a fund servicing the area of benefit as defined in the bequestor's Will.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1 Accounting Policies (continued)

1.3 Income (continued)

c) Staff Lottery:
Income is recorded net of the cost of prizes. The Lottery policy states that 50% of proceeds are allocated in prize monies, therefore only income available to the Charity is recorded in the financial statements.

d) Investment income apportionment:
Common deposit fund interest (COIF) relating to the two former CHS endowment funds is held in one account, and is split over these funds. The interest from the second common deposit fund (COIF account) is apportioned over the remaining funds using the average balance on the fund as a percentage of the total funds value, excepting the restricted Leukaemia and Lymphoma fund which has its own income source via a Rathbone investment portfolio.

Traded fixed asset investments dividends and interest result from three portfolios:

The main portfolio relates to unrestricted funds and is apportioned at the same time as the support costs apportionment, on the basis of the fund average balance as a proportion of the total fund average balances.

The second portfolio relates to one restricted fund and income is allocated direct to the fund.

The third portfolio relates to one unrestricted fund and income is allocated direct to the fund.

1.4 Transfer of Funds

Common deposit fund interest relating to the two former CHS endowment funds is transferred to respective restricted funds at the same time as the support cost apportionment. See notes 13.1 and 13.3.

1.5 Liabilities

All expenditure is recognised once there is a known legal or constructive obligation to make a payment to a third party. Liabilities have been recorded at settlement value.

1.6 Expenditure expended

The Charitable Funds' financial statements are prepared in accordance with the accruals concept.

a) Costs of generating funds:

The costs of generating funds are the costs associated with generating income for the Charitable Funds. The costs incurred relate to operating the staff lottery, investment portfolio management fees and pay and non-pay relating to the Charity fundraiser working within the Corporate Affairs department. There has not been a Charity Fundraiser in post since December 2021.

b) Costs of Charitable Activities – Support Costs:

These are accounted for on an accruals basis and include recharges of appropriate proportions of the salary costs from South Tyneside and Sunderland NHS Foundation Trust of 1.62 whole time equivalent post. There are no staff directly employed by the Charity. Bank charges relating to the operation of the Charity's non-exchequer bank accounts are included, as well as software licence and maintenance fees charged by the suppliers of the Charitable Funds database system. One off costs pertinent to running the charity are accounted for within this category. In 2023/24 this included a consultancy fee to prepare a Strategic Review of the Charity.

Support costs are inclusive of Governance costs – see (d).

Support costs are allocated across all funds at the year end on the basis of the fund average balance as a proportion of the total fund average balances.

c) Costs of Charitable Activities – Research Activities:

Research via Charitable Funds must comply with any requirements contained in the Charities Act, and also Charity Commission guidelines. In addition, South Tyneside and Sunderland NHS Fundation Trust has a research policy, ratified by the Trust via its Research and Development Steering Group, which involves vetting and approval by the Trust's Scientific Review Committee and externally by an approved Research Ethics Committee. Charitable constraints mean that only a select few projects would meet charitable criteria. There was no research conducted in 2023/24.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1 Accounting Policies (continued)

1.6 Expenditure (continued)

d) Governance costs:

This includes only those costs attributable to generating the information required for public accountability (i.e. financial statements and Trustee Annual Report preparation).

The costs include an appropriate proportion of salary costs relating to the Charitable Funds Administrator and review costs by the Capital Accountant, recharged from South Tyneside and Sunderland NHS Foundation Trust at 0.08 whole time equivalent.

The fee for the annual external audit is accrued within this category.

1.7 Fixed Assets

The Charity does not hold any fixed assets.

Any purchases of goods which satisfy the fixed asset criteria are gifted to South Tyneside and Sunderland NHS Foundation Trust under "Contribution to NHS" – see notes 6.1 and 14.2. These are then accounted for within the STSFT balance sheet under Donated Fixed Assets.

1.8 Cash and cash equivalents

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

1.9 Investments

All investments are held to provide an investment return for the Charity.

Traded investment non-current assets are shown at market value as at the balance sheet date. The valuation of listed investments is based on mid-market prices and is obtained from the Charity's investment broker Rathbone Investment Management Limited.

The value of unlisted investments is obtained by Rathbone Investment Management Limited from trading brokers.

Investments comprise a mix of UK Government Gilts, fixed interest bearing shares and bonds, FTSE 100 and 250 quoted stocks, overseas equities and a number of Alternative Assets including hedge funds, commodities and property trusts.

As per Charity Commission guidelines, no one investment on average comprises more than 5% of the total portfolio value. Some investment assets came to the Charity by way of bequests

All traded investment business is handled on a discretionary basis by the broker, who acts as a Nominee. The Trustee believes that the carrying value of the investment is supported by their underlying net assets.

1.10 Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise.

Realised gains and losses on investments are calculated as the difference between sales proceeds and book value. An adjustment is made for previous unrealised gains being the difference between the previous year end market value and the book value.

It should be noted that under the arrangement with the investment broker, the cash proceeds from disposals and non-dividend income are held by the broker in a Capital Account pending reinvestment.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1 Accounting Policies (continued)

1.10 Realised gains and losses - continued

Unrealised gains and losses are calculated as the difference between the market value at the year end and opening market value (or date of purchase if later).

The above applies to the current and prior financial year.

1.11 Charity merger

On 1 April 2020, City Hospitals Sunderland Charitable Funds merged with South Tyneside General Charitable Fund (reg no 1059500) to become South Tyneside and Sunderland NHS Foundation Trust Charitable Funds, (working name STS Charity), registration number 1052366. Also see Foreword page 25 for more detail.

1.12 Reserves Policy

The Charity Commission notes that Trustees "should" rather than "must" have a policy, and notes having a reserves policy will help Trustees comply with their legal duty which includes:

- Acting in the interests of their charity and its beneficiaries;
- protecting and safeguarding the assets of their charity; and
- acting with reasonable care and skill to ensure their charity is accountable.

In practice this means the reserves policy should:

- Fully justify and clearly explain the reason for keeping or not keeping reserves;
- identify a plan for the maintenance of essential services for beneficiaries;
- reflect the risks of unplanned closure associated with the charity's business model, spending commitments, potential liabilities and financial forecasts; and
- help to address the risks of unplanned closure on their beneficiaries (in particular, vulnerable beneficiaries), staff and volunteers.

Given that both restricted funds and endowments already have an accounting framework in place to ensure they are managed appropriately, this policy will apply to the unrestricted funds; the restricted funds will be managed in line with the donor's restrictions.

Noting the above, South Tyneside and Sunderland NHS Charitable Funds will ensure it holds sufficient cash reserves to:

1. Meet all outstanding agreed commitments at any one point in time;
2. Retain sufficient funds to meet 18 months of annual operational costs at any one point including funding the following roles:

a. Fund Raising Officers
b. Charitable Funds Accountant and assistant.
c. Cost of third party system support such as the finance database.

3. Retain a cash balance of between £0.500m and £1.000m at any one point in time to ensure working capital commitments can be managed including covering the cost of purchasing medical equipment and agreed salaries.

Any remaining funds will be managed in line with the investment management policy using the nominated investment broker in contract at the time.

Where fund balances are considered higher than may be expected the Trustees will seek to obtain strategic spend plans from the Foundation Trust, these however, will take into account operational commitments at the time which may mean funds are indeed retained until an appropriate point in time is reached where for example capital investments could be made to a ward or other operational area.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1 Accounting Policies (continued)

1.13 Prior year adjustments

There has been no change to the financial statements of prior years.

1.14 Exemption from Corporation Tax

South Tyneside and Sunderland NHS Charitable Funds is a registered Charity, subject to the taxation reliefs applicable to charities. All income is applied in furtherance of the objectives of the Charity, it is exempt from corporation tax.

1.15 Financial instruments

Financial assets and financial liabilities are recognised when the Charity becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a finance transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

The Charity only holds financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

1.16 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Charity's accounting policies, which are described in notes 1.1 to 1.13, the Trustee is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The Trustee does not consider there are any critical judgements or sources of estimation uncertainty requiring disclosure beyond the accounting policies listed above.

1.17 Covid19 and Ukraine conflict

During 2023/24 the inflationary shocks caused by the Covid pandemic and war in Ukraine finally appeared to unwind. However, a backdrop of increasing tension in the Middle East and political uncertainty in developed economies with a number of elections due to be held during 2024 contributed to markets remaining volatile. Despite this, the value of investments held by the charity, managed by the nominee Rathbone Investment Management, posted an overall net gain of 8.8%.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Income from donations & legacies **2**

2.1 Donations

	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	**Total 2024 Funds £000**	Total 2023 Funds £000
Donations from individuals	158	2	0	**160**	150
Donations from charities RVS	220	0	0	**220**	0
Donations from charities other	1	0	0	**1**	9
Corporate donations CHoICE	2,000	0	0	**2,000**	2,500
Corporate donations other	9	0	0	**9**	10
Non corporate donations	14	0	0	**14**	11
Public Services	2	0	0	**2**	0
	2,404	**2**	**0**	**2,406**	2,680

Analysis of donations from individuals

	£000 received		Number of deposits	
	2024	2023	**2024**	2023
Individuals giving > £1k	81	59	44	26
Individuals giving > £100	65	75	227	286
Fundraising - voluntary (not via STSFT)	5	9	10	15
Other	9	7	452	183
Totals	**160**	150	**733**	510

2.2 Legacies

	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	**Total 2024 Funds £000**	Total 2023 Funds £000
Paediatrics	300	0	0	**300**	0
Corporate - Nursing	36	0	0	**36**	0
Ophthalmology	23	0	0	**23**	11
Urgent + Emergency Care	12	0	0	**12**	0
Medical Specialties	0	1	0	**1**	6
Perioperative + Critical Care	1	0	0	**1**	36
Rehab and Elderly Medicine	0	0	0	**0**	3
General Purposes	0	0	0	**0**	1
	372	**1**	**0**	**373**	**57**

In total 9 legacies were received during 2023/24, of which 1 was residuary sum (2022/23 : 7)

2.3 Total donations and legacies	**2,776**	**3**	**0**	**2,779**	2,737

2.4 Grants

	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	**Total 2024 Funds £000**	Total 2023 Funds £000
Grants from Charities					
CHSA - Covid19 Healthcare Support Appeal	0	0	0	**0**	60
	0	**0**	**0**	**0**	**60**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Income from charitable activities **3**

	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	**Total 2024 Funds £000**	Total 2023 Funds £000
Course and conference fees	**93**	**0**	**0**	**93**	80

7 different course types were held (2022/23 : 8).

Income from other trading activities **4**

	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	**Total 2024 Funds £000**	Total 2023 Funds £000
Staff lottery	5	0	0	**5**	5
	5	**0**	**0**	**5**	5

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Details of Fundraising expenditure 5

	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	**Total 2024 Funds £000**	Total 2023 Funds £000
Bought-in services from NHS	(2)	0	0	**(2)**	(2)
Investment Broker fee	(25)	(1)	0	**(26)**	(24)
Corporate Fundraising non pay	(1)	0	0	**(1)**	(1)
	(28)	**(1)**	**0**	**(29)**	(27)

All traded investment business covering all funds is handled by the Charity's investment broker, Rathbone Investment Management Ltd.

Bought-in services relate to salary recharges from STSFT in respect of managing the staff lottery £2k, 0.08 whole time equivalent - wte(2022/23: £2k, 0.09 wte)

Details of Charitable activities expenditure 6

6.1 Cost of Charitable Activities

	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	**Total 2024 Funds £000**	Total 2023 Funds £000
Patients' welfare and amenities	(247)	0	0	**(247)**	(293)
Course and conference costs	(91)	0	0	**(91)**	(56)
Contributions to NHS	(3,878)	0	0	**(3,878)**	(517)
Staff welfare and amenities	(335)	0	0	**(335)**	(137)
Support and governance costs	(82)	(1)	0	**(83)**	(66)
	(4,633)	**(1)**	**0**	**(4,634)**	(1,069)

Analysis of support costs expenditure 6.2

Support and governance cost:	Staff / Patient Welfare and Amenities £000	Course and Conference Costs £000	Governance Costs £000	Research £000	**Total 2024 Funds £000**	Total 2023 Funds £000
Unrestricted	(60)	(9)	(14)	0	**(83)**	(64)
Restricted	0	0	0	0	**0**	(2)
	(60)	(9)	(14)	0	**(83)**	(66)

Support costs mainly relate to pay in respect of 1.62 whole time equivalent (wte) staff costs of which 0.08 wte was transferred to Governance in connection with the preparation of the statutory Annual Financial Statements and Trustee Annual Report. There are no staff employed directly by the charity therefore there have been no pension contributions made in the year. Non pay costs include bank charges and the licence fee associated with the Charitable Funds database. In addition during 23/24 there was a one-off charge for consultancy charges for a Charity Strategic Review.Internal audit charge 2023/24 nil (2022/23 : nil).
Governance costs include the statutory annual audit by Robson-Laidler for 23/24 total £9,200 exclusive of VAT (2022/23 £8,750 excl VAT) and an element of support costs detailed above.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Analysis of total expenditure 7

	Costs of Fundraising £000	Investment Management Costs £000	Costs of Charitable Activities £000	Governance Costs £000	**Total 2024 £000**	Total 2023 £000
Other	(1)	0	(4,177)	0	**(4,178)**	(845)
Bought-in services from NHS	(2)	0	(443)	(3)	**(448)**	(217)
Investment Broker fee	0	(26)	0	0	**(26)**	(24)
Audit fees - external statutory audit provision	0	0	0	(11)	**(11)**	(10)
	(3)	**(26)**	**(4,620)**	**(14)**	**(4,663)**	(1,096)

Grants made to institutions and individuals 8 During the year, the Charity made no grants to individuals or other institutions but funding was provided to STSFT for the benefit of patients, staff which could not be funded out of NHS operating expenses.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Analysis of non current asset investments

9

9.1 Traded Non Current Asset Investments:

	2024 Total £000	2023 Total £000
Managed Portfolios		
Market value at 1 April	3,481	2,729
Less: Disposals at Sales Proceeds values	(303)	(312)
Add: Acquisitions at cost	372	1,204
Net unrealised and realised gain / (loss) on sale and revaluation	213	(140)
Market value at 31 March	**3,763**	3,481
Fixed Interest Fund Holding		
Market value at 1 April	0	1,061
Less: Disposals at Sales Proceeds values	0	(962)
Add: Acquisitions at cost	0	0
Net unrealised and realised gain / (loss) on sale and revaluation	0	(99)
Market value at 31 March	**0**	0
Total non current asset investments	**3,763**	3,481
Historic cost at 31 March - Managed Portfolios	**3,968**	3,896

9.2 Traded Non Current Asset Investments:

	31 March 2024 Total £000	31 March 2023 Total £000
Investments listed on a recognised Stock Exchange:		
In the UK	1,573	1,487
Outside the UK	663	551
Unlisted securities:		
In the UK	1,006	983
Outside the UK	521	460
Total	**3,763**	3,481

Analysis of gross income from investments

9.3 Total gross income:

	2024 Total £000	2023 Total £000
Investments listed on a recognised Stock Exchange:		
In the UK	54	60
Outside the UK	7	5
Unlisted securities:		
In the UK	21	17
Outside the UK	8	8
Investments in a Common Deposit Fund	25	15
Current account / short term interest	318	68
Total	**433**	173

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Analysis of Trade and other Receivables 10

Amounts falling due within one year:

	31 March 2024 £000	31 March 2023 £000
Trade receivables	13	32
Amounts due from STSFT	0	0
Prepayments and accrued income	7	12
Total receivables falling due within one year	**20**	44

Analysis of Cash and Cash Equivalents 11

Cash and cash equivalents

	31 March 2024 £000	31 March 2023 £000
Cash at GBS (and commercial bank 31 March 2022)	6,526	6,424
Notice Deposits (less than 3 months)	465	465
Cash held in dealing account with Investment Broker	51	146
Total cash and cash equivalents	**7,042**	7,035

Analysis of Trade and other Payables 12

Amounts falling due within one year:

	31 March 2024 £000	31 March 2023 £000
Amounts due to STSFT	(564)	(104)
Trade payables	(1,112)	(45)
Accruals and deferred income	(14)	(136)
Total payables falling due within one year	**(1,690)**	(285)

Analysis of Funds 13

13.1 Endowment Funds

Details of material funds - Endowment Funds

	Balance 1 April 2023 £000	Income £000	Expenditure £000	Transfers £000	Gains on Disposals £000	Gains on Revaluations £000	**Balance 31 March 2024 £000**
Fund 1910 Legacy	156	7	**0**	(7)	0	0	**156**
Fund 1900 Legacy	2	0	**0**	0	0	0	**2**
Funds1920-1940 Gifts	1	0	**0**	0	0	0	**1**
Total	**159**	**7**	**0**	**(7)**	**0**	**0**	**159**

13.2 Description of funds

Fund 1910 Legacy	-	Capital in Perpetuity to purchase equipment at Sunderland Eye Infirmary.
Fund 1900 Legacy	-	Capital in Perpetuity to place "in memoriam" flowers in the Chapel.
Fund 1920	-	to benefit the Library
Fund 1930 +1940	-	to benefit Nursing

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Analysis of Funds **13 (Continued)**

Details of material funds - Restricted Funds **13.3 Restricted Funds**

Material funds	Balance 1 April 2023 £000	Income £000	Expenditure £000	Transfers £000	Gain on Disposals £000	Gain on Revaluation £000	Balance 31 March 2024 £000
Leukaemia Research Legacy	107	9	(1)	0	0	10	125
Orthopaedics bequest	35	2	(1)	0	0	0	36
Neonatal Unit Legacy	2	0	0	0	0	0	2
Other designated funds	22	1	0	0	0	0	23
Total	**166**	**12**	**(2)**	**0**	**0**	**10**	**186**

13.4 Description of funds

Leukaemia Research Legacy	-	For leukaemia and lymphoma research.
Orthopaedics bequest	-	For the provision of an operating theatre bed specifically designed for people suffering from curvature of the spine
Neonatal Unit legacy	-	For South Tyneside neonates

Details of material funds - Unrestricted Funds **13.5 Unrestricted Funds**

Material funds	Balance 1 April 2023 £000	Income £000	Expenditure £000	Transfers £000	Gain on Disposals £000	Gain on Revaluation £000	Balance 31 March 2024 £000
Medical Equipment purposes	5220	2,212	(3,551)	0	1		**3,882**
Paediatric department	331	327	(11)	0	1		**648**
General Purposes	445	246	(258)	0	0		**433**
NeoNatal Unit	322	17	(149)	0	0		**190**
SRH ICCU	160	20	(3)	0	0		**177**
Rise Above Cancer	174	29	(30)	0	0		**173**
Glaucoma purposes	143	7	(2)	0	0		**148**
Maternity Unit	137	6	(1)	0	0		**142**
Phoenix Unit - Chemotherapy	145	27	(41)	0	0		**131**
SEI General Purposes	80	37	(2)	0	0		**115**
ALS course - Resusc	80	38	(19)	0	0		**99**
Renal purposes	98	8	(8)	0	0		**98**
Pharmacy department	85	10	(1)	0	0		**94**
Diabetes purposes Legacy	88	5	(1)	0	0		**92**
Clinical Haematology	78	4	(8)	0	0		**74**
SRH Ward D46 Stroke (prev E58,D41)	66	9	(6)	0	0		**69**
STDH Cardiology bequests	65	3	(1)	0	0		**67**
South Tyneside Community Planned Car	57	12	(2)	0	0		**67**
ENT/SALT purposes	60	3	(1)	0	0		**62**
SRH Cardiology	58	4	(1)	0	0		**61**
Gynaecology purposes	51	3	(1)	0	0		**53**
Urology Unit	49	5	(1)	0	0		**53**
SRH Coronary Care	49	4	0	0	0		**53**
Niall Quinn Childrens OPD	49	4	(1)	0	0		**52**
Other	1860	251	(562)	7	0	201	**1,757**
Total Unrestricted Funds	**9,950**	**3,291**	**(4,661)**	**7**	**2**	**201**	**8,790**

Transfers: During 2023/24 the only transfer was a Gross transfer of funds to move Endowment (CIP) income to Unrestricted funds

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Details of material funds - Unrestricted Funds (continued)

13.6 Description of funds

Medical Equipment purposes (incl CHoICE donation)	-	Larger items of medical equipment funded from CHoICE donations.
Paediatric department	-	Equipment and patient amenities across Paediatrics
General Purposes	-	Trustwide in accordance with the objects of the Charity.
NeoNatal Unit	-	Equipment and patient amenities for the Neonates service set by NHS Charities Together (incl Captain Sir Tom Moore distributions).
SRH ICCU	-	Purposes benefitting the Intensive Critical Care Unit
Rise Above Cancer	-	Information, support and complimentary therapy treatment rooms on Sunderland Royal and South Tyneside District hospital sites
Glaucoma purposes	-	Incorporating the GRAD@S fund, for glaucoma service purposes including research and development
Maternity Unit	-	Equipment for the maternity unit and purposes in accordance with the objects of the Charity
Phoenix Unit - Chemotherapy	-	Equipment and patient amenities within the Unit - relocated
SEI General Purposes		For Eye Infirmary benefit in accordance with the objects of the Charity.
ALS course - resuscitation	-	Advanced Life Support course delivery
Renal purposes	-	For expenditure in accordance with the objects of the Charity.
Pharmacy department	-	Equipment, training and education within the department.
Diabetes purposes Legacy	-	For expenditure in accordance with the objects of the Charity.
Clinical Haematology	-	Equipment, education and patient care in Clinical Haematology.
SRH Ward D46 Stroke (previously located on ward E58)	-	Equipment and patient amenities within the ward
STDH Cardiology bequests	-	For expenditure in accordance with the objects of the Charity.
South Tyneside Community Planned Care	-	For expenditure in accordance with the objects of the Charity.
ENT/SALT purposes	-	For purposes including Head and Neck cancer services
SRH Cardiology	-	For expenditure in accordance with the objects of the Charity.
Gynaecology purposes	-	For expenditure in accordance with the objects of the Charity.
Urology Unit	-	For expenditure in accordance with the objects of the Charity.
SRH Coronary Care	-	For expenditure in accordance with the objects of the Charity.
Niall Quinn Childrens OPD	-	For expenditure in accordance with the objects of the Charity.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

14 Trustee and Connected Persons Transactions

14.1 Recharges from Corporate Trustee

STSFT, as Corporate Trustee of the Charity, incurred rechargeable expenditure on behalf of the Charity amounting to £3,364,409 (2022/2023: £1,138,486). The rechargeable expenditure relates to the Charity's objectives, and represents the majority of the resources expended as shown in note 6.1.STSFT does not recharge any costs for services provided by its Directors.

An amount of £564,016 is included within payables for outstanding transactions not yet reimbursed. (£103,580 payable re 2022/23).

14.2 Analysis of Contributions to NHS

The Charity provided the following capital donations to STSFT:

	2024	2023
	£000	£000
Equipment	2,845	379
Fixtures and Fittings	0	0
IT equipment	0	137
Buildings	1,033	1
	3,878	517

14.3 Trustee Indemnity Insurance

No indemnity insurance was provided to the Trustee in the year to 31st March 2024 (2022/23 Nil).

14.4 Related Party Transactions

The Charity has made revenue and capital donations to its Corporate Trustee, STSFT. The Corporate Trustee, which is the ultimate controlling party, consists solely of members of the Board of Directors who assume responsibility and accountability for the Charity.

During the year, none of the Directors or members of the key management staff or parties related to them has undertaken any private transactions with the South Tyneside and Sunderland NHS Foundation Trust Charitable Funds.

No member of the Board of Directors has been reimbursed "out of pocket" expenses by the Charity.

There were no loans or guarantees secured against assets of the Charity in the year to 31st March 2024 (2022/23 Nil).

The Charitable Funds received a donation of £2,000,000 (2022/23 £2,500,000) from City Hospitals Independent Commercial Enterprises Ltd (CHoICE), which is the subsidiary of STSFT.

The Charitable Funds did not place any non stock requisitions via CHoICE, however one Capital order for £34k was inadvertantly processed through CHoICE, who also processed minimal value stock items for Comfort Care/End of Life Care Packs £1961, (2023/23: £170)

Internal audit services are provided by AuditOne.

Services provided to the Charity by AuditOne during the financial year 2023/24 were nil (22/23: nil).

14.5 Post Balance Sheet Event

A bequest of £43,049 was received in June 2024, which was not quatifiable until that date, though communication had been received from the solicitor during 2023/24 that the charity was to be a residuary beneficiary of the deceased's Will.

South Tyneside and Sunderland NHS Foundation Trust Charitable Funds

England & Wales - Charity number 1052366

Accounts

SOUTH TYNESIDE AND SUNDERLAND NHS FOUNDATION TRUST CHARITABLE FUNDS

TRUSTEE ANNUAL REPORT

FOR THE PERIOD 1 APRIL 2022 – 31 MARCH 2023

SOUTH TYNESIDE AND SUNDERLAND NHS FOUNDATION TRUST CHARITABLE FUNDS

TRUSTEE ANNUAL REPORT 2022/2023

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SOUTH TYNESIDE AND SUNDERLAND NHS FOUNDATION TRUST CHARITABLE FUNDS

TRUSTEE ANNUAL REPORT 2022/2023

Reference and Administrative Details of the Charity

Registered Address – Charity and Corporate Trustee

South Tyneside and Sunderland NHS Foundation Trust
Sunderland Royal Hospital
Kayll Road
Sunderland
SR4 7TP

The Charity was first registered by the Charity Commission as number 1052366 under a Declaration of Trust dated 7 December 1995 in respect of the former City Hospitals Sunderland NHSFT Charitable Funds (CHS), as amended 24 March 2020 to include the merger with the former Charity South Tyneside General Charitable Fund (ST), registered number 1059500, effective from 1 April 2020. From the 1 April 2020 the merged charity name is South Tyneside and Sunderland NHSFT Charitable Funds.

The Charity's working name is 'STS Charity'.

The Charity's single Corporate Trustee (the Trustee) is South Tyneside and Sunderland NHS Foundation Trust (STSFT).

The Trust Board of Directors (BoD) holding office from April 2022 to January 2023 are:

	Chair Allison Thompson
Chief Executive	Ken Bremner
Executive Directors	Kath Griffin – Executive Director of Human Resources and Organisational Development Melanie Johnson — Executive Director of Nursing, Midwifery and Allied Health Professionals Peter Sutton – Executive Director of Planning and Business Development Shahid Wahid – Executive Medical Director Hayley Wardle – Executive Director of Finance
Trust Secretary/Director	Andrea Hetherington – Director of Corporate Affairs and Legal/Trust Secretary/Freedom to Speak Up Guardian

Non-Executive Directors	Debbie Carrick-Sen
	Alan Clarke
	Ngozi Lyn Cole
	Stewart Hindmarsh
	Martin Knowles – from 15 August 2022
	Paul McEldon
	Roy McLachlan – from 15 August 2022
	Chris Gray – (non voting)

Professional services are provided by:

Bankers

Lloyds Bank plc
54-55 Fawcett Street
Sunderland
SR1 1SE

NatWest bank plc
Government Banking services branch
1000 Cathedral Square
Cathedral Hill
Guildford
GU2 7YL

Investment brokers

Rathbone Investment Management Ltd
Earl Grey House
75-85 Grey Street
Newcastle upon Tyne
NE1 6EF

CCLA
Senator House
85 Queen Victoria Street
London
EC4V 4ET

Independent External Auditor

Robson Laidler Accountants Limited
Fernwood House
Fernwood Road
Jesmond
Newcastle upon Tyne
NE3 1TJ

Independent Internal Auditor

AuditOne
Kirkstone Villa
Lanchester Road Hospital
Durham
DH1 5RD

Trustee Report

Governance, Management and Structure

Whilst all Charities in the NHS must operate within the legal and regulatory framework laid down in the Charities Acts (plus any directions issued by the Secretary of State for Health), a Corporate Trustee has considerable discretion in determining how on a daily basis, the charity operates.

When the BoD is acting in the capacity of Corporate Trustee, there must be recognition that:

1. Charitable Funds are distinct from the exchequer funds provided by Government; and
2. In acting as Corporate Trustee the BoD has a separate and distinct responsibility for the administration of the Charitable Funds.

A Corporate Trustee cannot delegate its statutory duties and remains accountable for the Charity's performance but day to day management, can be delegated.

To this end the Charitable Funds Committee (CFC) established on 1st April 2010 continues to oversee the administration of the Charitable Funds in accordance with any statutory or other legal requirements or best practice required by the Charities Commission.

CFC Terms of Reference – as updated November 2022

Membership

Voting members:

2 Non-Executive Directors (one of whom is chair of the CFC)
2 Directors
- Executive Director of Finance
- Executive Director of Nursing, Midwifery and Allied Health Professionals

2 Public Governors

In attendance:

Director of Corporate Affairs and Legal/Trust Secretary/Freedom to Speak Up Guardian
Associate Director of Finance - Financial Services

In attendance by invitation:

Charitable Fundraiser (part of Corporate Affairs function)
External Audit for the presentation of the Accounts
Investment Manager
Any others as required by the Committee

Quorum:

Minimum two members, who must include an Executive and Non-Executive Director.

Voting members during the period April 2022 to January 2023:

Ngozi Lyn Cole	-	Chair of Committee / Non-Executive Director
Hayley Wardle	-	Executive Director of Finance from 1 April 2021
Melanie Johnson	-	Executive Director of Nursing, Midwifery and AHPs
Anita Hagon	-	Council of Governor Representative from September 2022
Karen White	-	South Tyneside Public Constituency to June 2022
Joyce Welsh	-	South Tyneside Public Constituency from 1 October 2021 until August 2022
Roy McLachlan		Non-Executive Director - from 15 August 2022
Angela Thompson		Council of Governor Representative from September 2022 to August 2023

CFC Duties

The Charitable Funds Committee will:

1 Ensure charitable funds are grouped in such a way that the wishes of the donors and the needs of the service are optimised.

2 Plan expenditure of charitable funds annually in accordance with Board policy.

3 Make recommendations to the Board of Trustees on issues of policy, investment and strategy.

4 Review and approve any formal income generation schemes as they arise over £20,000.

5 Authorise or decline expenditure which has exceeded delegated limits of individual officers to ensure the duties of Trustees are adequately discharged.

6 Oversee and monitor the functions and responsibilities performed by the Executive Director of Finance as defined in the Standing Financial Instructions.

7 Monitor the use of charitable funds across the organisation, ensuring the scheme of delegation is applied appropriately and funds are utilised for the correct purposes.

8 Monitor the scheme of delegation for expenditure within agreed limits.

9 Receive regular feedback on signed off commitments above £20,000, and approve any expenditure above £20,000. (Expenditure in excess of £200,000 requires formal BoD approval as Corporate Trustee).

10 Ensure adherence to the Trust's Standards of Business Conduct for the ordering and receiving of goods and services.

11 Ensure the Board of Trustees is kept up to date with all matters relevant to their role.

12 The CFC is empowered with responsibility:

- For the 'day to day' management of the investments of the Charitable Funds in accordance with the investment strategy set down annually by the Board of Trustees;
- To oversee and approve the work of the Fundraising Strategy, setting the ambition over the medium and long term.
- To liaise with donors and voluntary organisations to ensure wherever possible the assets donated are those most needed by the Trust,
- To review fund balances to ensure active management and utilisation of these funds,
- To ensure that procedures for Charitable Funds Investment decisions are made which preserves their capital value and produces a maximised return from prudent investment,
- To ensure the appropriate risk registers and associated action plans are in place across the organisation for all risks relating to Charitable Funds. The Charitable Funds risk register will be reviewed every six months,
- To ensure that the Investment Strategy is reviewed annually and approve any amendments as required,

- For the appointment of an Investment Manager to advise on investment matters and delegation of the 'day to day' management of some or all of the investments to the Investment Manager, in line with SFIs and Charities Commission requirements where relevant.

- The Committee will review and present the Charitable Fund Report and Accounts to the Board of Trustees

Conduct of Business

1 Meetings are held on a bi-monthly basis, a minimum of five meetings per year with notice of each meeting together with an agenda and papers being made available to each member no later than five clear days before the meeting.

2 The Executive Administrative Team shall provide administrative support to the Committee and maintain a schedule of matters arising and agreed actions.

Reporting and Review

1 The minutes of the Charitable Funds Committee meetings shall be formally recorded and submitted to the Board of Trustees. The Chair of the Committee will report to the Board of Trustees following each meeting on any issues for escalation.

2 The Committee will review its Terms of Reference and its effectiveness against the requirements of its Terms of Reference on an annual basis, and report the findings to the Board of Trustees.

In May 2018 the General Data Protection Regulation (GDPR) came in to force. Under this legislation, any personal data held (e.g. names of living or deceased persons) cannot be disclosed in this Annual Report unless the person has been informed and given consent. Some of the restricted funds held by the Charity were set up under the name of the bequestor. In these circumstances these personal names are not being disclosed in the Financial Statements and Trustee Annual Report (TAR).

The Charity is registered as an Umbrella Charity. Within the one registration, multiple funds are permitted, four of which are registered with the Charity Commission as 'Special Purpose Funds'. The Special Purpose restricted funds are:

- Fund 2470 - Two bequests for the benefit of Sunderland Eye Infirmary (one of which has a small portfolio managed by Rathbone Investment Management).
- Fund 4280 - Legacy for the benefit of Paediatric physiotherapy and assessment services located at the Children's Centre.
- Fund 9245 - Bequest for the provision of flowers in the chapel on specified dates. Income was received as an endowment.
- Fund 3345 - Leukaemia and Lymphoma Research Fund from a legacy which has a small portfolio managed by Rathbone Investment Management.

The Annual Report and Annual Financial Statements have been prepared to comply with the requirements of FRS102 (Financial Reporting Standard 102), the Charities FRS102 SORP (Statement of Recommended Practice), the Companies Act 2006 and the Charities Act 2011.

The Trustee has had regard to Charity Commission guidance on public benefit in section 4 of Part 1 of the Charities Act 2011.

The information in the Charity's Annual Report regarding its activities and achievements is structured to allow the reader to see how the information sits with the Charity Commission aspects of Public Benefit Reporting and adds some detail to the financial data in the Financial Statements on pages 29 – 44.

The Charity Commission has set out the following guidance relating to the two aspects of public benefit:

The 'benefit aspect'
The 'benefit aspect' of public benefit is about whether the purpose is beneficial

Legal requirement: to satisfy the 'benefit aspect' of public benefit:

- a purpose must be beneficial - this must be in a way that is identifiable and capable of being proved by evidence where necessary and which is not based on personal views; and
- any detriment or harm that results from the purpose (to people, property or the environment) must not outweigh the benefit - this is also based on evidence and not on personal views.

The 'public aspect'
The 'public aspect' of public benefit is about whom the purpose benefits

Legal requirement: to satisfy the 'public aspect' of public benefit the purpose must:

- benefit the public in general, or a sufficient section of the public - what is a 'sufficient section of the public' varies from purpose to purpose; and
- not give rise to more than incidental personal benefit - personal benefit is 'incidental' where (having regard both to its nature and to its amount) it is a necessary result or by-product of carrying out the purpose.

The main purpose of the Charitable Funds, as contained in the Charity's Trust Deed 'object' clause is to 'apply income for any charitable purpose relating to the National Health Service'. In practice this is wholly or mainly for the services provided by South Tyneside and Sunderland NHS Foundation Trust.

The Trust provides acute and community healthcare services to a core population of over 430,000 people living in and around the borough of South Tyneside and the City of Sunderland, as well as thousands of people from Durham who regularly use our services. We also provide a number of community and other services to people in Gateshead as

well as a range of specialist services accessed by patients across the whole of the North East and beyond, serving a population of almost 1m people.

Approximately 185 individual funds exist within the Charity registration. The majority of the Trust's wards and acute services have access to a fund. Geographically the funds exist to cover South Tyneside District Hospital, Sunderland Royal Hospital, Sunderland Eye Infirmary, the Durham Treatment Centre and community based services in South Tyneside, Sunderland and Gateshead.

Funds which are expected to hold a balance of £5,000 or more can only be set up with CFC approval. Research funds would also require approval from the Head of the Research. The scope for new research initiatives to sit fully within charitable funds continues to be limited partly due to the level of funding that may be required and where this funding might come from. Commercial and NHS funding cannot be included within charitable funds.

The existence of a fund to cover a specific ward, specialty, or activity is dependent on any or all of the following being received:

- Private individual donations, which include personal fundraising;
- Corporate sponsorship/support - freely given with no commercial gain or advantage to the donor – e.g. to support training events or equipment purchases;
- Legacies;
- Institutional support – e.g. from Universities in furtherance of pre-existing charitable research projects;
- Charity support – e.g. for equipment purchases or to develop training facilities or for General Purposes;
- Clinicians electing to waive their personal fee for private work and opting to have the fee donated to the Charity;
- Staff lottery; and/or
- Fundraising - Corporately organised.

Each fund has at least two designated managers. Fund managers have a delegated authority from the CFC to oversee their particular fund(s). Approval limits for authorising expenditure mirrored the controls in place for STSFT during 2022/2023 with the exception of standard fund holders who have a limit of up to £1,000 per transaction, which is lower than their limit for revenue transactions.

Any order valued at £20,000 or more requires a written proposal which must be presented to the CFC for consideration.

Any order which is Capital in nature (a fixed asset valued at £5,000 or more that will be donated to the Foundation Trust) must first receive approval to proceed from either the Capital Facilities Sub Group or the Capital Medical Equipment Sub Group. Any information technology (IT) requests must first be approved by the IT department. Capital orders of £100,000 and above must also be approved by the Capital Development Steering Group (CDSG).

Accounting functions and the day to day administration of the funds are handled by the Charitable Funds and Capital Finance Officer within the Financial Services Department, located in Ward 17, South Tyneside District Hospital, Harton Lane, South Shields, NE34 0PL. The charity has a financial ledger system which is operated independently from the STSFT's own system.

The Charity currently has investments managed by both the CCLA and Rathbones. In early 2021 the Investment Management contract re-tendered, and Rathbones was successful in being reappointed.

The investment broker Rathbones, as Nominee manages the investments on a discretionary basis and is required to provide at least a quarterly portfolio valuation and attend nominated CFC meetings to advise on performance, opportunities and possible market concerns. Its performance is reviewed annually by the CFC.

The Fixed Interest Holding investment with the CCLA was liquidated in October 2022 with the proceeds being retained in the Charity's main bank account attracting interest on a monthly basis, until Rathbones advise market conditions are favourable for further investments to be made.

The Nominee manages three portfolios, two of which resulted from legacies and are earmarked for specific funds. The portfolios are:

- The Main Portfolio - for the benefit of all funds except the Special Purpose Funds;
- Fund 3345 - Leukaemia and Lymphoma Research (Special Purpose Fund); and
- Fund 2470 – Incorporating a bequest for the benefit of the Eye Infirmary which has a small portfolio managed by Rathbone Investment Management. This is for the benefit of the Eye Infirmary, held within the Eye Infirmary General Purpose fund.

Risk and Assurance

The Charity has assessed the major risks to which it may be exposed and has put in place policies and procedures to mitigate these risks. In particular:

- The internal controls of STSFT have been adopted by the Charity;
- The Charitable Funds Administrator/Procurement Department/General Office verify that all items requested from the funds are adequately authorised and in accordance with the objects of the Charity; and
- The Charity maintains a register of potential risks which is reviewed every six months.

A significant area of uncertainty that affects the carrying value of assets held by the Charity is the performance of investment markets. The performance of the Investment Broker is reviewed as a minimum on a quarterly basis by the Trustee. The following projection covers up to 12 months following the 2022/23 audited accounts sign off.

Based on the Charity's available cash resources at the date of the financial statements approval, the Trustee considers that there are no material uncertainties about the Charity's ability to continue as a going concern up to 31 January 2025.

Uncertainties over the level of future income constitutes a risk to the going concern of the Charity. To this end, expenditure commitments are logged and reviewed by the CFC to ensure they have not exceeded monies held as cash and cash equivalents.

The risks around investment balances have been mitigated through the holding of balanced portfolios fully managed through the Nominee where the asset allocation mirrors the Charity Commission recommendation that no one investment should on average comprise more than 5% of the portfolio. The Charity held units in a Fixed Interest investment with the CCLA until October 2022.

The Charity's operation and records are reviewed and tested by the external auditors Robson and Laidler Accountants Limited (Robson and Laidler)both as part of STSFT's annual accounts audit and as part of the statutory annual audit on the information reported within the Charity's Annual Financial Statements. Robson and Laider also review the Annual Report and report their audit findings to the CFC. In 2021/22 the Charity has received an internal audit by Audit One reporting on the internal controls and transactions spanning 2020/21 and the first quarter of 2021/22 the outcome of which was reviewed in the autumn of 2022.

Protecting vulnerable people and Data Protection

The Charity exercises care and sensitivity when engaging with its donors and any activities involving vulnerable people. As an NHS Corporate Trustee Charity, the Charity adheres to the Trust's Safeguarding, Equality Diversity and Human Rights, Dementia, Learning Disabilities, Mental Health Awareness, and Freedom to Speak Up and Information Governance and Data Security policies.

Objectives and Activities

The Trust Deed permits funds to be used for any charitable purpose(s) relating to the National Health Service. The objective of charitable funds expenditure is to provide an enhancement to patient/public benefit by being over and above what would be provided as part of STSFT's core services whilst also fulfilling the Charity Commission requirements on 'public benefit'.

Donors may express a wish as to the application of a specific gift, providing it falls within the overall purpose of the Charity. Gifts received by way of legacies must be applied in accordance with the terms of the Will. The Charity does not accept legacies where it feels it cannot meet the terms of the Will. There are no funds to benefit specific named individuals, nor is any expenditure incurred that benefits a sole individual.

The CFC issues an 'Acceptable Spend Areas' list to senior managers, last updated in August 2023. It also contains a list of items that will not generally be funded via Charitable Funds.

In practice, funds are expended mainly on amenities for patients, medical equipment purchases and training. Financial support for staff employed at Sunderland to extend their knowledge through training or research is available because it enhances the skill set used in the delivery and management of healthcare. Funding for the Trust's Staff Recognition Awards event is is permitted by the CFC and in April 2023 the Trust held its first staff event since the COVID-19 pandemic..

The CFC delegates day-to-day management of the funds to designated fund managers who may also be operational service managers, with responsibility that may include clinical input within STSFT. These managers can thus tailor expenditure to provide defined benefits that are available to all service users.

Donations are allocated to a designated fund on receipt, by reference to the source of the donation and to the donor's instructions, if expressed.

Fundraising

The post of Fundraising Officer was created in February 2016 as part of the Corporate Affairs function. The post-holder is tasked with raising the profile of the Charity, with the aim of increasing income from donations and fundraising. An increase in income would permit the Charity to increase its spending, benefitting the provision of healthcare.

Unfortunately the Fundraising Officer post has been vacant since December 2021 and it has not been possible to attract a suitable candidate to the post. The Charity will be actively addressing this issue in the forthcoming year. The Charity has however continued to provide advice and support to individuals and groups who have chosen the Charity to benefit from their fundraising efforts.

The Charity voluntarily subscribes to the Fundraising Regulator and its Code of Fundraising Practice. The Regulator assumed responsibility for regulating fundraising from July 2016 and investigates and takes appropriate action on cases of public concern.

The Charity continues to run a monthly staff lottery draw. The lottery is licensed by the City of Sunderland Council under The Gambling Act 2005. The lottery proceeds may only be used for purposes falling within the Charity's objects clause.

Source and application of funds

Funds are used for both the purchase of relatively minor items for which NHS funding would otherwise not be available and also individual larger items of medical equipment or appropriate building work which are gifted to the Trust as donated Capital Assets and appear on the STSFT Statement of Financial Position.

The charitable funds have continued to provide a valuable resource to enable STSFT to provide additional facilities for patients and staff which otherwise would not have been possible.

Sources of funds are principally individual donations and legacies. Fundraising by volunteers and also the staff lottery contribute towards income. Income is also received received by way of fees for courses run by STSFT. Course fee income can only be held within charitable funds if the purpose is purely educational and the courses are not run for the purpose of income generation. The advancement of education is not the Charity's primary aim, but in providing education, that increased knowledge base allows for the development and advancement of healthcare delivery.

CHoICE, the wholly owned subsidiary company to STSFT, once again donated to the Charity. Procurement services are provided to STSFT by CHoICE, but CHoICE does not control what its donation is spent on, nor does it directly procure goods on behalf of the Charity. During 2022/23 CHoICE significantly increased its donation to the Charity with total donation of £2,500k (2021/22: £2,000k).

Income from donations alone increased in 2022/23 totalling £2,680k (2021/22 - £2,246k), with legacy receipts totalling £57k (2021/22: £103k). One Fundraising grant was received in 2022/23 totalling £60k from the COVID 19 Healthcare Support Appeal.

General personal donations were £150k (2021/22: £214k) with fewer donations both in term of the number the total value received.

Achievements and Performance in support of the Charity's primary aim

Patient and staff welfare and amenities

The charity made contributions to patients and staff welfare and amenities totalling £430k during the course of the year (2021/22 - £414k). In doing so the Charity was able to make a difference by funding specialist staff to provide services not funded by the NHS and to replace and upgrade furniture and equipment for the benefits of patients as well as the staff who provide vital clinical services.

Specialist staff:

The Tissue Viability nursing posts being trialled for one year across wards commenced in July 2021 and continued into 2022/23 (£14k).
The post of bereavement lead within maternity services commenced in October 2021 and continued throughout 2022/23 (£49k). This trial project is being funded for a two year periood from charitable funds.
The administrative support to the multiple sclerosis service continued to be funded in 2022/23 (£28k).
The 'Thrive' staff psychology scheme being initially funded through donations and grants received in response to the Covid19 pandemic commenced in July 2021. The scheme's aim is to help staff deal with the stresses experienced during both the height of and the recovery from the Covid19 pandemic. Charitable funds have continued to support the scheme in 2022/23 (£60k)

In 2022/23 the Rise Above Cancer fund received £30k income from donations and spent £26k for the benefit of cancer patients and their families (2021/22 - £27k income, £39k spent).

Rise Above Cancer is still affiliated to Macmillan and is supporting ever increasing numbers of patients. During the Covid19 pandemic, STSFT had to intermittently suspend the complimentary therapy sessions to cancer patients and their carers, provided by Coping with Cancer North East however the service was retained and therapy sessions fully resumed again in June 2021 and has continued throughout 2022/23.

The service benefits a range of cancers including breast, prostate, lung, bowel, liver, stomach, and gynaecological. The centre has also provided invaluable advice on benefits which during the Covid19 pandemic had to be telephone based. STSFT works closely with the cancer charity 'Look Good Feel Better' to hold monthly workshops to support patients coping with the physical effects of cancer by providing makeup sessions to help build patients' confidence and self-esteem. The workshops resumed in Sunderland in September 2021 after being on hold during the height of the Covid19 pandemic and are accessed by both Sunderland and South Tyneside patients. The charity supported complimentary therapy for patients undergoing treatment with Clinical Haematology (£7k) and for patient receiving support from the Macmillan centre (£16k)

Furniture and fittings (£138k) (2021/22 - £25k): Included, the replacement of furniture within the patient areas of both the Day of Surgery Admission Unit at Sunderland Royal Hospital (£63k) and the Intensive Care Unit at Sunderland Royal (£37k). The charity was also able to enhance staff areas within both these areas (£15k). A contribution was also made to new dining furniture for Palmers Community Hospital (£4k).

Other (£92k) (2021/22 - £26k) – There have also been a number of smaller value items funded during the financial year. For example, Christmas gifts for patients occupying a bed on Christmas morning and for children undergoing treatment in the week before Christmas. The charity has continued to support comfort packs, these being made available to all wards as well as End of Life care packs provided to vulnerable patients being cared for at home.

The Charity is also pleased to report that it was also able fund the cost of Patient TV during three significant events namely, the Queen's Jubilee celebrations and sadly her Funeral as well as the England World Cup game, allowing all patients to have free access should they choose to watch.

Contributions to NHS

The Charity also made contributions to the NHS worth £517k (2021/22 - £646k) that are included under Donated Capital Assets in STSFT's Statement of Financial Position.

Examples of the equipment assets purchased include:

Head and Neck Directorate:

- Oral 3D Scanner (£29k) – The scanner creates a 3D virtual model of the mouth and teeth, which can be e-mailed, attached to a CT scan for planning, or even printed out on 3D printer for modelling.
- 3D Printer (£12k) - 3D printer, allows for the rapid processing of orthodontic, restorative and orthognathic patient models and enables the in-house manufacture of surgical splints.
- Microscope (£9k) – Additional microscope to further enhance patient care, increasing capacity and reducing unavoidable delays.

Medicine – Care of the Elderly:

- Hoverjack Lifts (£50k) – The specialised lifts allow healthcare workers to safely lift patients who have fallen. The HoverJack consists of four chambers that are inflated sequentially to lift patients from the floor to bed or stretcher height in a supine position, maximising patient comfort and minimising the risk of injury to both patient and caregiver.

Ophthalmology Directorate

- Fields Machine (26k) – Measures the visual field, vital for the continued monitoring of patients, supporting the Consultant to plan future care.
- Autorefractor £10k – Measures the eyes refraction, again, vital for the continued monitoring of a patient to support their future care plan.
- Occular Response machine (£14k) – Allows the measurement of eye pressure.

Family Care – Neonatal Unit

- Glidoscope (£11k) – A video laryngoscope that enables real-time video visualisation of the airways during intubation, this helps to reduce the incidence of delayed or failed intubation.
- Ventilator (£27k) – Funding for an additional (spare) ventilator to manage situations where a ventilator is out of service due to failure or scheduled maintenance.

Intensive Care Unit

- Omnicell Cabinet (£66k) – Automated dispensing cabinet, the cabinet creates a smarter, safer, quicker process for getting the right medication to the right patient, helping to improve the overall patient medication experience.

Cancer Multi-Disciplinary Team (MDT) Equipment

- MDT Videoconferencing (£107k) - Video solution includes multiple projectors/large format monitors to display a variety of inputs, including PCs used for Meditech, Somerset and PACS, a video microscope and far-end video. The system also

incorporates appropriate cameras, microphones and speakers in order that a high quality discussion can take place.

Training and Education Support

During 2022/23, a number of different course types were run by the Trust's Training Department for both STSFT staff and professionals outside the Trust. These include the Advanced Trauma Life Support (ATLS), Advanced Life Support (ALS), Advanced Paediatric Life Support (APLS), Neonatal Life Support (NLS, Immediate Life Support (ILS) and Paediatric Life Support (PLS.

Experts to facilitate these courses are sourced from across the UK. Both qualified and trainee medical and nursing staff in the UK attend these courses to extend or maintain their skills in accordance with current best practice. Courses held in 2022/23 generated £80k (2021/22 - £92k) at a cost of £56k (2021/22 - £65k). Expenditure includes equipment for course provision.

Course attendance consists of members of staff from STSFT as well as other organisations.

Achievements and Performance - Investments

Traded investments and cash - income totalling £173k (2021/22- £81k).

Traded investments - Rathbones		Fixed Interest Holding - CCLA		COIF** deposit accounts	
2022/23	2021/22	2022/23	2021/22	2022/23	2021/22
£000	£000	£000	£000	£000	£000
77	50	13	31	15	0

** Charities variable interest deposit fund held with CCLA Investment Management, an investment body serving charities, churches and the public sector.

Current account interest from all bank accounts amounted to £68k (2021/22 - £0). There was no working capital invested on the short term money markets.

Portfolio investments through Rathbones provide an income stream as well as aiming to provide capital growth in the long term to enable income streams to better withstand inflationary pressures.

In line with the ethos of promoting patient care, the Corporate Trustee attempts to ensure that all investments are ethically and environmentally sound, and are not opposed to the purpose of the Charity.

The investment strategy includes the following:

The prime investment objective is to achieve a balanced portfolio between income and capital growth. The preferred level of investment risk is defined as 'Medium'. There should be no investment in companies associated with the production of Armaments, Alcohol or the Tobacco industry. Although not strictly prohibited, sensitivity should also be given to investments in other industries associated with Alcohol, Armaments or Tobacco production

Rathbone statement

The prevailing mood throughout 2022 became one of increasing negativity due to persistently high inflation, squeezed household finances, the ongoing war in Ukraine and falling asset values.

Indeed, the main US stock market, the S&P 500, delivered its worst annual performance since 2008, falling 18% while the technology-focused US NASDAQ Index fell by one-third (both in US Dollar terms). However, the UK FTSE 100 performed relatively well with the Index actually posting a gain of 4% for the year. The reason for this was the dominance of oil companies within the Index which have benefitted from the energy crisis while defensive sectors such as pharmaceuticals have also held their value. Elsewhere the UK Gilt market came under severe pressure as a result of September's 'mini-budget' and as yields spiked, values sank.

Investment markets are constantly trying to look into the future and the closing quarter of the financial year saw a recovery in equities, driven higher on the hope that global inflation has peaked and the sharp interest rate rises implemented by Central Banks would come to an end soon.

Against this difficult backdrop the STSFT Charitable Funds portfolio lost value during the financial year, down 2.2%, slightly behind the composite benchmark fall of 1.3%. The investments have remained invested on a more cautious footing throughout, within the agreed asset allocation ranges and while the outlook remains uncertain amid increasing signs of recession to come, bond and equity markets are adjusting to reflect the global economic reality which will hopefully offer the opportunity to shift onto a more positive footing.

Financial Review of 2022/23

As at the 31 March 2023 the value of the funds was £10,275k. This represents a net increase of £1,720k on the 31 March 2022 Financial Statements value of £8,555k.
The increase comprises:

- £1,959k from income exceeding expenditure – income £3,055k less expenditure £1,096k (2021/22 - income exceeded expenditure by £1,346k) principally due to the increased donation from CHoICE.

Less a net realised and unrealised loss on investments of £239k comprising:

- £73k from unrealised losses on the year end market value of the Charity's shareholdings with Rathbones (2021/22: unrealised gain with Rathbones £145k).
- £62k from unrealised loss on the market value of the Charity's Fixed Interest Holdings with the CCLA (2021/22 - £82k unrealised loss).
- £37k from the realised losses on the disposal of COIF Fixed Interest Holding Fund (£2021/22 £0k).
- £67k from the realised losses on disposal of shareholdings with Rathbones (2020/21: realised gain on disposal with Rathbones £24k).

The impact of Covid19 continued to have an impact upon the operations of the Royal Voluntary Service (RVS) with footfall across the sites they operate much reduced compared pre-COVID levels. As a result of this, the RVS was unable to make a donation in 2022/23 however, early indications suggest the RVS will be in a position to recommence making a donation in 2023/24. CHoICE, the commercial enterprise wholly owned by the STSFT increased its donation to £2,500k (2021/22: £2,000k).

Please refer to note 2 of the Financial Statements for financial data surrounding income received.

The majority of volunteer fundraisers have very strong personal reasons for supporting a particular service. Thank you to all the individuals, groups, schools, churches, many fellowships and clubs and employers who have generously supported STSFT's Charitable Funds.

The total resources expended were £1,096k (2021/2022 - £1,252k) an decrease of £156k. This decrease is primarily attributable to contributions made to medical equipment that have been considered and approved by the Charitable Funds Committee during the course of 2022/23. This will vary from one year to another reflect specific proposals received from the Trust.

As reported in 2021/21, the Trust has continued to be unsuccessful in its attempt to appoint into the post of Fundraising Officer. This is due to a difficult recruitment market in this area.

Expenditure spanned the usual range of patient amenities which include regular events such as Christmas presents for patients occupying a bed on Christmas Day, babies born over Christmas and children attending theatres and A&E over Christmas, staff amenities principally retirement and long service awards.

Reserves Policy

The Trustee's Reserves Policy forms part of the plan to provide long term support to STSFT for new equipment, patient and staff benefits, with free reserves held within the Charity's General Purpose Fund.

The Trustee intends that designated funds are spent within a reasonable period of receipt unless funds are reserved for major future developments and therefore foresee a need only to maintain reserves sufficient for general Trust-wide funding applications.

The Trustee continues to review the balances held within designated funds in accordance with the provisions of the NHS Acts relating to Charitable Funds, to determine whether these funds are likely to be committed in the near future and the extent to which there is a continuing need identified. In the event that the need identified no longer exists, those funds will be directed to the General Purpose Fund which is managed by Corporate Affairs.

Free reserves held within the General Purpose fund amounted to £445k (£317k reported at 31 March 2022).

Balances may be accumulated in an individual fund prior to the commencement of a project or the purchase of an expensive piece of medical equipment; this is to ensure that there are sufficient resources before commitment so that other earmarked funds are not placed at risk. STSFT is responsible for the day to day running costs and maintenance of equipment purchased through donated funds.

The CFC continues to take an active interest in reviewing fund usage to establish that funds are used appropriately and in a timely, controlled manner.

There are no funds in deficit.

Our Thanks

We greatly value the support we received from CHoICE for donating profits to the Charity and look forward to engaging with the RVS again and also the League of Friends who supported initiatives at South Tyneside District Hospital, pre Covid 19.

As always, the Charity is grateful to the countless volunteer fundraisers who dedicate time and energy to raising funds for a number of specific services. Whatever the value of a donation made, we are grateful to all our donors and we acknowledge that for many, 2022/23 continued to be a challenging year both financially and emotionally. We value the letters of thanks that are received, and our sympathies remain with families and friends who donate or continue to fundraise in memory of loved ones.

Without the on-going and tireless support of organisations, volunteers, individuals and their families, the Charity would not be able to pursue the many projects undertaken this year. To all of our donors we give our thanks and hope for your continued support in the years to come.

Plans for the Future

The Macmillan Patient Information Centre located at Sunderland Royal Hospital known as the 'Rise Above Cancer' fund continues to support the Personalised Patient Care

Programme to look at Survivorship Activities Programmes and its sister centre has been established at South Tyneside District Hospital. Sadly, cancer services are still seeing an increase in referrals of patients with less than six months to live, with increasing numbers of younger patients with young children, for whom benefit advice and Legacare services are vital.

The monies donated by CHoICE were and will continue to be used to fund a number of major medical equipment purchases.

A project to install some fundraising contactless donation points, to be trialled at Sunderland Royal Hospital and South Tyneside District Hospital sites is being taken forward. Donors will be able make a donation by debit or credit card. The initiative was halted because of Covid19 restrictions and the departure of the Fundraising Officer.

During the course of 2023/24 Financial Year, the charity is planning to make a significant contribution to the Trust's medical equipment capital programme, including the release of funding to support the purchase of a SpecT CT Gamma Camera at the Sunderland Royal Hospital. This will enable the Trust to provide world class nuclear medicine imaging by improving quality.

SPECT-CT systems are tomographic gamma cameras combined with a CT camera analogous to PET-CT), which enables "functional" gamma camera images that lack detailed anatomical location to be superimposed on anatomical CT images. The combined images are more specific and therefore diagnostic results are more accurate which n turn improves patient outcomes.

The support will also help ensure Trust maintains its vision as the 3rd centre in the North East by maintaining appropriate investment in currently accepted standards for imaging equipment. This in turn will help attract radiologists with a specialist interest in nuclear medicine to the Trust.

Plans are also in place to provide funding support for a number of item of capital medical equipment estimated to be in the region of £1,000k. It is expected these will make a significant enhancement to the provision of patient care at the various hospital sites operated by South Tyneside and Sunderland NHS Foundation Trust. In some cases the items will provide additional capacity, a welcome support as the Trust actively manages its back log of patients following the COVID 19 pandemic.

Alongside our plans for a new Eye Hospital, we've also launched our Vision charity appeal. This aims to help raise vital funds so that Sunderland stays at the forefront of the very latest eye treatments and cutting edge technologies. Money raised through the Vision appeal will help fund even more state-of-the-art equipment for the new Eye Hospital.

The fund balances carried forward to 2022/23 will continue to be used to enhance services and resources for the provision of healthcare by South Tyneside and Sunderland NHS Foundation Trust. In line with the legal requirement to provide and demonstrate wide ranging patient benefit, the most effective use of our Charitable Funds will continue to be monitored by the CFC.

SOUTH TYNESIDE AND SUNDERLAND NHS FOUNDATION TRUST CHARITABLE FUNDS

TRUSTEE ANNUAL REPORT 2022/2023

To view the Charity's current and previous Trustee Annual Report and Financial Statements and for further information on areas such as Charities Act updates, Public Benefit Guidance and Good Governance please visit www.charitycommission.gov.uk.

By Order of the Trustee

Signed ..... (Executive Director)

Dated 30 November 2023

Statement of Trustee responsibilities

The Trustee 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).

The law applicable to charities in England and Wales requires the 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 Trustee is required to:

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

The Trustee is 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.

On behalf of the Trustee
Signed:

Director ..... Date 30 NOVEMBER 2023

Director ..... Date 30 NOVEMBER 2023

Independent auditor's report to the trustees of South Tyneside and Sunderland NHS Foundation Trust Charitable Funds

Opinion

We have audited the financial statements of South Tyneside and Sunderland NHS Foundation Trust Charitable Funds (the 'charity') for the year ended 31 March 2023 which comprise Statement of Financial Activities, Balance Sheet, Statement of Cash flow and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2023 and of its net income and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 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 trustees' 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 trustees with respect to going concern are described in the relevant sections of this report.

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 trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF CITY HOSPITALS SUNDERLAND NHS FOUNDATION TRUST CHARITABLE FUNDS (CONTINUED)

In connection with our audit of the financial statements, 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 in the course of 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' Report; or
- sufficient accounting records have not been kept; 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.

Responsibilities of trustees

As explained more fully in the trustee responsibilities statement set out on page 23, 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 trustees determine 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 are 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 trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF CITY HOSPITALS SUNDERLAND NHS FOUNDATION TRUST CHARITABLE FUNDS (CONTINUED)

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 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 as a whole 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 on the basis of the financial statements.

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. Based on our understanding of the charity and its activities, we identified that the principal risks of non-compliance with laws and regulations related to the UK tax legislation, pensions legislation, employment regulation and health and safety regulation, anti-bribery, corruption and fraud, money laundering and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Charities Act 2011 and the Charities Statement of Recommended Practice.

We evaluated the trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, and significant one-off or unusual transactions.

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- Discussing with the trustees and management their policies and procedures regarding compliance with laws and regulations;
- Communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the charity which were contrary to applicable laws and regulations, including fraud.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF CITY HOSPITALS SUNDERLAND NHS FOUNDATION TRUST CHARITABLE FUNDS (CONTINUED)

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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

Use of our report

This report is made solely to the charity's trustees, 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 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 the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Signed:

M Moran

Michael T Moran BA FCA (Senior Statutory Auditor)

For and on behalf of Robson Laidler Accountants Limited
Statutory Auditor
Fernwood House
Fernwood Road
Jesmond
Newcastle Upon Tyne
NE2 1TJ

Date: 14 December 2023

Robson Laidler Accountants Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

SOUTH TYNESIDE AND SUNDERLAND NHS FOUNDATION TRUST CHARITABLE FUNDS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

FOREWORD

These financial statements have been prepared by the Trustee under Part 8 of the Charities Act 2011, and in accordance with the Charities Statement of Recommended Practice (FRS102).

STATUTORY BACKGROUND

For the Financial Year 2021/2022 South Tyneside and Sunderland NHS Foundation Trust (STSFT) was the Corporate Trustee of the Charitable Funds. STSFT was established on 1 April 2019.

The South Tyneside and Sunderland NHS Foundation Trust Charitable Funds are registered with the Charity Commission (registered number 1052366) and include funds in respect of services at the Sunderland Royal Hospital, Sunderland Eye Infirmary, South Tyneside District Hospital, as well as some Community services and services located at the Children's Centre, Sunderland. Prior to 1 April 2020 charity number 1052366 was registered as City Hospitals Sunderland NHS Foundation Trust Charitable Funds. The registered charity South Tyneside Trust General Charitable Fund, registered charity number 1059500, whose Corporate Trustee is also South Tyneside and Sunderland NHS Foundation Trust, merged with the registration number 1052366 on 1 April 2020.

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.

MAIN PURPOSE OF THE CHARITABLE FUNDS

The main purpose of the Charitable Funds is to apply income for any charitable purpose relating to the National Health Service, for the services provided by STSFT.

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted Funds	Restricted Funds	Endowment Funds	**Total 2023 Funds**	Total 2022 Funds
		£000	£000	£000	**£000**	£000
Income from:						
Donations & Legacies	2	2,734	3	0	**2,737**	2,349
Grants	2.4	60	0	0	**60**	70
Charitable Activities	3	80	0	0	**80**	92
Other Trading Activities	4	5	0	0	**5**	6
Investments	9.3	165	5	3	**173**	81
Total Income		3,044	8	3	**3,055**	2,598
Expenditure on:						
Raising Funds	5	(26)	(1)	0	**(27)**	(59)
Charitable Activities	6	(1,056)	(13)	0	**(1,069)**	(1,193)
Total Expenditure	7	(1,082)	(14)	0	**(1,096)**	(1,252)
Net (Loss) / Gain on investments	9.1	(234)	(5)	0	**(239)**	87
Net Income / (Expenditure)		1,728	(11)	3	**1,720**	1,433
Transfer between funds		3	0	(3)	**0**	0
Net movement in funds		1,731	(11)	0	**1,720**	1,433
Reconciliation of Funds:						
Total funds brought forward		8,219	177	159	**8,555**	7,122
Total funds carried forward	13	9,950	166	159	**10,275**	8,555

All results derive from continuing operations.
All gains and losses recognised in the year are included in the above.
There is no material difference between the net incoming resources stated above and their historical cost equivalents.

BALANCE SHEET AS AT 31 MARCH 2023

	Notes	Unrestricted Funds	Restricted Funds	Endowment Funds	**Total 2023 Funds**	Total 2022 Funds
		£000	£000	£000	**£000**	£000
Non current assets						
Investments	9.1,9.2	3,334	147	0	**3,481**	3,790
Total non-current assets		3,334	147	0	**3,481**	3,790
Current assets						
Trade and other receivables	10	44	0	0	**44**	35
Cash and cash equivalents	11	6,838	38	159	**7,035**	5,373
Total current assets		6,882	38	159	**7,079**	5,408
Current liabilities						
Trade and other payables	12	(266)	(19)	0	**(285)**	(643)
Net current assets		6,616	19	159	**6,794**	4,765
Total net assets		**9,950**	**166**	**159**	**10,275**	8,555
Retained funds of the Charity						
Endowment Funds	13.1	0	0	159	**159**	159
Restricted Income Funds	13.3	0	166	0	**166**	177
Unrestricted Income Funds	13.5	9,950	0	0	**9,950**	8,219
Total retained funds of the Charity		**9,950**	**166**	**159**	**10,275**	8,555

The financial statements on pages 29 to 45 were approved by order of the Trustee on 30 November 2023 and signed on its behalf by:



KW Bremner
Chief Executive, South Tyneside and Sunderland NHS Foundation Trust, Corporate Trustee

STATEMENT OF CASHFLOW

	Year Ended 31 March 23 £'000s	Year Ended 31 March 22 £'000s
Net income and expenditure for the reporting period	1,720	1,433
(Increase) in current debtors	(9)	(8)
Investment income received	(173)	(81)
Net Loss on investments revaluation	239	(87)
(Decrease) / Increase in current creditors	(358)	494
Net cash inflow/(outflow) from operating activities	**1,419**	**1,751**
Disposal at sale proceeds values	1,274	219
Acquisitions at cost	(1,204)	(209)
Investment income received	173	81
Net cash inflow/(outflow) from investment activities	**243**	**91**
Net cash inflow/(outflow) cash and cash equivalents	**1,662**	**1,842**
Cash and cash equivalents at beginning of the period	5,373	3,531
Cash and cash equivalents at end of the period	**7,035**	**5,373**

NOTES TO THE FINANCIAL STATEMENTS

1 Accounting Policies

1.1 Basis of preparation

These financial statements have been prepared under the historical cost convention as modified by the inclusion of investments at market value, in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective from 1 January 2015) – Charities SORP (FRS 102), the Companies Act 2006 and the Charities Act 2011.

The principle accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

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

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

The uncertain economic outlook and the variability in income from donations and legacies year-to-year represents a significant area of financial uncertainty for the Charity. The Charity mitigates this risk through maintaining diversity in its income streams and upholding expenditure authorisation controls to prevent over-commitment of funds. Therefore, this is not anticipated to represent a risk to going concern.

A significant area of uncertainty that affects the carrying value of assets held by the Charity is the performance of investment markets. The performance of the Investment Broker is reviewed as a minimum on a quarterly basis by the Trustee.

The Charity's functional and presentational currency is the pound sterling.

1.2 Structure of funds

Where there is a legal restriction on the purpose to which a fund may be put, the fund is classified either as:
- A restricted fund; or
- an endowment fund.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor. Where the restriction requires the gift to be invested to produce income but the Trustee has the power to spend the capital, it is classed as expendable endowment.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor. Where the restriction requires the gift to be invested to produce income but the Trustee has the power to spend the capital, it is classed as expendable endowment.

Endowments are held as expendable endowments unless there is a specific term in the bequest stating the capital element should be held in perpetuity. Under such bequests, the capital value will be maintained, income generated by capital in perpetuity can be spent.

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

The major funds held in each of these categories are disclosed in note 13.

1.3 Income

a) Donations, staff lottery, royalties, investment income, course and conference fees:

All income is included in full in the Statement of Financial Activities as soon as the following three factors can be met:

(i) entitlement – arises when income is receivable or the Charity's right becomes legally enforceable;

(ii) probable – when it is more likely than not that the income will be received; and

(iii) measurement – when the monetary value of the income can be measured with sufficient reliability and the costs incurred for the transaction can be measured reliably.

Where there are terms and conditions attached to income, particularly grants, then these terms or conditions must be met before the income is recognised as the entitlement condition will not be met until that point. Where terms or conditions have not been met or uncertainty exists as to whether they can be met then the relevant income is not recognised in the year but deferred and shown on the balance sheet as deferred income.

Income, except for investment income, is allocated to a fund in accordance with the donor's/payer's intention. Investment income is held in suspense funds prior to being apportioned, except for dividends and interest received from two of the portfolios which are allocated direct to funds.

b) Legacies:

Legacies are accounted for as income once the receipt of the legacy becomes probable or is within the control of the Charity. 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.

Legacies are allocated to a fund servicing the area of benefit as defined in the bequestor's Will.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1 Accounting Policies (continued)

1.3 Income (continued)

c) Staff Lottery:
Income is recorded net of the cost of prizes. The Lottery policy states that 50% of proceeds are allocated in prize monies, therefore only income available to the Charity is recorded in the financial statements.

d) Investment income apportionment:
Common deposit fund interest (COIF) relating to the former CHS charity is apportioned over the former CHS endowment funds and all of the restricted funds using the average balance on the fund; any surplus is apportioned to all unrestricted funds. The former ST COIF is apportioned over all funds using the average balance of the fund excluding the former CHS endowment fund.

Traded fixed asset investments dividends and interest result from three portfolios:

The main portfolio relates to unrestricted funds and is apportioned at the same time as the support costs apportionment, on the basis of the fund average balance as a proportion of the total fund average balances.

The second portfolio relates to one restricted fund and income is allocated direct to the fund.

The third portfolio relates to one unrestricted fund and income is allocated direct to the fund.

Income from Fixed Interest holdings is apportioned over all unrestricted funds and ST restricted and endowment funds.

1.4 Transfer of Funds

Common deposit fund interest apportioned over endowment funds is transferred to respective restricted funds at the same time as the support cost apportionment. See notes 13.1 and 13.3.

1.5 Liabilities

All expenditure is recognised once there is a known legal or constructive obligation to make a payment to a third party. Liabilities have been recorded at settlement value.

1.6 Expenditure expended

The Charitable Funds' financial statements are prepared in accordance with the accruals concept.

a) Costs of generating funds:

The costs of generating funds are the costs associated with generating income for the Charitable Funds. The costs incurred relate to operating the staff lottery, investment portfolio management fees and pay and non-pay relating to the Charity fundraiser working within the Corporate Affairs department. In 2021/22 the Charity Fundraiser was no longer seconded to the Trust Covid effort, but did leave te Trust in December 2021.

b) Costs of Charitable Activities – Support Costs:

These are accounted for on an accruals basis and include recharges of appropriate proportions of the salary costs from South Tyneside and Sunderland NHS Foundation Trust of 1.07 whole time equivalent post. There are no staff directly employed by the Charity. Bank charges relating to the operation of the Charity's non-exchequer bank accounts are included, as well as software licence and maintenance fees charged by the suppliers of the Charitable Funds database systems.

Support costs are inclusive of Governance costs – see (d).

Support costs are allocated across all funds at the year end on the basis of the fund average balance as a proportion of the total fund average balances. A new database was installed in March 2021

c) Costs of Charitable Activities – Research Activities:

Research via Charitable Funds must comply with any requirements contained in the Charities Act, and also Charity Commission guidelines. In addition, South Tyneside and Sunderland NHS Fundation Trust has a research policy, ratified by the Trust via its Research and Development Steering Group, which involves vetting and approval by the Trust's Scientific Review Committee and externally by an approved Research Ethics Committee. Charitable constraints mean that only a select few projects would meet charitable criteria.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1 Accounting Policies (continued)

1.6 Expenditure (continued)

d) Governance costs:

This includes only those costs attributable to generating the information required for public accountability (i.e. financial statements and Trustee Annual Report preparation).

The costs include an appropriate proportion of salary costs relating to the Charitable Funds Administrator and review costs by the Capital Accountant, recharged from South Tyneside and Sunderland NHS Foundation Trust at 0.04 whole time equivalent.

The fee for the annual external audit is accrued within this category.

1.7 Fixed Assets

The Charity does not hold any fixed assets.

Any purchases of goods which satisfy the fixed asset criteria are gifted to South Tyneside and Sunderland NHS Foundation Trust under "Contribution to NHS" – see notes 6.1 and 14.2. These are then accounted for within the STSFT balance sheet under Donated Fixed Assets.

1.8 Cash and cash equivalents

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

1.9 Investments

All investments are held to provide an investment return for the Charity.

Traded investment non-current assets are shown at market value as at the balance sheet date. The valuation of listed investments is based on mid-market prices and is obtained from the Charity's investment broker Rathbone Investment Management Limited. The value of the Fixed Interest Fund holding with the CCLA is shown at mid market value as at the balance sheet date.

The value of unlisted investments is obtained by Rathbone Investment Management Limited from trading brokers.

Investments comprise a mix of UK Government Gilts, fixed interest bearing shares and bonds, FTSE 100 and 250 quoted stocks, overseas equities and a number of Alternative Assets including hedge funds, commodities and property trusts.

As per Charity Commission guidelines, no one investment on average comprises more than 5% of the total portfolio value. Some investment assets came to the Charity by way of bequests

All traded investment business is handled on a discretionary basis by the broker, who acts as a Nominee. The Trustee believes that the carrying value of the investment is supported by their underlying net assets.

1.10 Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise.

Realised gains and losses on investments are calculated as the difference between sales proceeds and book value. An adjustment is made for previous unrealised gains being the difference between the previous year end market value and the book value.

It should be noted that under the arrangement with the investment broker, the cash proceeds from disposals and non-dividend income are held by the broker in a Capital Account pending reinvestment.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1 Accounting Policies (continued)

1.10 Realised gains and losses - continued

Unrealised gains and losses are calculated as the difference between the market value at the year end and opening market value (or date of purchase if later).

The above applies to the current and prior financial year.

1.11 Charity merger

On 1 April 2020, City Hospitals Sunderland Charitable Funds merged with South Tyneside General Charitable Fund (reg no 1059500) to become South Tyneside and Sunderland NHS Foundation Trust Charitable Funds, (working name STS Charity), registration number 1052366. Also see Foreword page 25 for more detail.

1.12 Reserves Policy

The Charity Commission notes that Trustees "should" rather than "must" have a policy, and notes having a reserves policy will help Trustees comply with their legal duty which includes:

- Acting in the interests of their charity and its beneficiaries;
- protecting and safeguarding the assets of their charity; and
- acting with reasonable care and skill to ensure their charity is accountable.

In practice this means the reserves policy should:

- Fully justify and clearly explain the reason for keeping or not keeping reserves;
- Identify a plan for the maintenance of essential services for beneficiaries;
- reflect the risks of unplanned closure associated with the charity's business model, spending commitments, potential liabilities and financial forecasts; and
- help to address the risks of unplanned closure on their beneficiaries (in particular, vulnerable beneficiaries), staff and volunteers.

Given that both restricted funds and endowments already have an accounting framework in place to ensure they are managed appropriately, this policy will apply to the unrestricted funds; the restricted funds will be managed in line with the donor's restrictions.

Noting the above, South Tyneside and Sunderland NHS Charitable Funds will ensure it holds sufficient cash reserves to:

1. Meet all outstanding agreed commitments at any one point in time;
2. Retain sufficient funds to meet 18 months of annual operational costs at any one point including funding the following roles:

a. Fund Raising Officers
b. Charitable Funds Accountant and assistant.
c. Cost of third party system support such as the finance database.

3. Retain a cash balance of between £0.500m and £1.000m at any one point in time to ensure working capital commitments can be managed including covering the cost of purchasing medical equipment and agreed salaries.

Any remaining funds will be managed in line with the investment management policy using the nominated investment broker in contract at the time.

Where fund balances are considered higher than may be expected the Trustees will seek to obtain strategic spend plans from the Foundation Trust, these however, will take into account operational commitments at the time which may mean funds are indeed retained until an appropriate point in time is reached where for example capital investments could be made to a ward or other operational area.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1 Accounting Policies (continued)

1.13 Prior year adjustments

There has been no change to the financial statements of prior years other than reflecting the merger of City Hosptials Sunderland NHS Charitable Funds and South Tyneside NHS Charitable Funds.

1.14 Exemption from Corporation Tax

South Tyneside and Sunderland NHS Charitable Funds is a registered Charity, subject to the taxation reliefs applicable to charities. All income is applied in furtherance of the objectives of the Charity, it is exempt from

1.15 Financial Instruments

Financial assets and financial liabilities are recognised when the Charity becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a finance transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

The Charity only holds financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

1.16 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Charity's accounting policies, which are described in notes 1.1 to 1.13, the Trustee is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The Trustee does not consider there are any critical judgements or sources of estimation uncertainty requiring disclosure beyond the accounting policies listed above.

1.17 Covid19 and Ukraine conflict

The United Kingdom national lockdown took effect on 23 March 2020 and the effects of Covid19 did not have a lasting discernible impact on the charity. The value of investments held by the charity, managed by the nominee Rathbone Investment Management, had recovered from any initial losses from when the pandemic struck. The conflict in the Ukraine has had a more marked impact on traded investment values, with values falling during 2021/22. However , in the first quarter of 2022/23, values have recovered significantly so that the portfolio values have only dropped by 1% overall, thanks in part to the selective trading decisions taken by investment broker.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Income from donations & legacies 2

2.1 Donations

	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	**Total 2023 Funds £000**	Total 2022 Funds £000
Donations from Individuals	147	3	0	**150**	214
Donations from charities	9	0	0	**9**	4
Corporate donations CHoICE	2,500	0	0	**2,500**	2,000
Corporate donations other	10	0	0	**10**	16
Non corporate donations	11	0	0	**11**	12
	2,677	**3**	**0**	**2,680**	2,246

Analysis of donations from individuals

	£000 received		Number of deposits	
	2023	2022	**2023**	2022
Individuals giving > £1k	59	78	26	26
Individuals giving > £100	75	78	286	249
Fundraising - voluntary (not via STSFT)	9	50	15	14
Other	7	8	183	200
Totals	**150**	214	**510**	489

2.2 Legacies

	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	**Total 2023 Funds £000**	Total 2022 Funds £000
Perioperative + Critical Care	36	0	0	**36**	0
Rehab and Elderly Medicine	3	0	0	**3**	0
Medical Specialties	6	0	0	**6**	100
Ophthalmology	11	0	0	**11**	3
General Purposes	1	0	0	**1**	0
	57	**0**	**0**	**57**	**103**

In total 7 legacies were received during 2022/23, of which 1 was a residuary sum received re prior years (2021/22: 6).

2.3 Total donations and legacies

	2,734	**3**	**0**	**2,737**	2,349

2.4 Grants

	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	**Total 2023 Funds £000**	Total 2022 Funds £000
Grants from Charities					
Red Sky Foundation	0	0	0	**0**	70
CHSA - Covid19 Healthcare Support Appeal	60	0	0	**60**	0
	60	**0**	**0**	**60**	**70**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Income from charitable activities 3

	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	**Total 2023 Funds £000**	Total 2022 Funds £000
Course and conference fees	**80**	**0**	**0**	**80**	92

8 different course types were held (2021/22 : 8).

Income from other trading activities 4

	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	**Total 2023 Funds £000**	Total 2022 Funds £000
Staff lottery	5	0	0	**5**	6
	5	**0**	**0**	**5**	**6**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Details of Fundraising expenditure 5

	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	**Total 2023 Funds £000**	Total 2022 Funds £000
Bought-in services from NHS	(2)	0	0	**(2)**	(35)
Investment Broker fee	(23)	(1)	0	**(24)**	(20)
Corporate Fundraising non pay	(1)	0	0	**(1)**	(4)
	(26)	(1)	0	**(27)**	(59)

All traded investment business covering all funds is handled by the Charity's investment broker, Rathbone Investment Management Ltd.

Bought-in services relate to salary recharges from STSFT in respect of managing the staff lottery £2k (0.09 wte- whole tim equivalent) , (2021/22 : £33k corporate charity fundraiser post 0.75wte - leaver end December 2021).

Details of Charitable activities expenditure 6

6.1 Cost of Charitable Activities

	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	**Total 2023 Funds £000**	Total 2022 Funds £000
Patients' welfare and amenities	(293)	0	0	**(293)**	(238)
Course and conference costs	(56)	0	0	**(56)**	(65)
Contributions to NHS	(506)	(11)	0	**(517)**	(646)
Staff welfare and amenities	(137)	0	0	**(137)**	(176)
Support and governance costs	(64)	(2)	0	**(66)**	(68)
	(1,056)	(13)	0	**(1,069)**	(1,193)

Analysis of support costs expenditure 6.2

Support and governance cost:	Staff / Patient Welfare and Amenities £000	Course and Conference Costs £000	Governance Costs £000	Research £000	**Total 2023 Funds £000**	Total 2022 Funds £000
Unrestricted	(44)	(6)	(14)	0	**(64)**	(67)
Restricted	-2	0	0	0	**(2)**	(1)
	(46)	(6)	(14)	0	**(66)**	(68)

Support costs mainly relate to pay in respect of 1.25 whole time equivalent (wte) staff costs of which 0.08 wte was transferred to Governance in connection with the preparation of the statutory Annual Financial Statements and Trustee Annual Report. There are no staff employed directly by the charity therefore there have been no pension contributions made in the year. Non pay costs include bank charges and licence fees associated with the Charitable Funds database.Internal audit charge 2022/23 nil (2021/22 £3,770). Governance costs include the statutory annual audit by Robson-Laidler for 22/23 total £8,750 exclusive of VAT (2021/22 £14,275 excl VAT Ernst &Young) and an element of support costs detailed above.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Analysis of total expenditure 7

	Costs of Fundraising £000	Investment Management Costs £000	Costs of Charitable Activities £000	Governance Costs £000	**Total 2023 £000**	Total 2022 £000
Other	(1)	0	(844)	0	**(845)**	(900)
Bought-in services from NHS	(2)	0	(211)	(4)	**(217)**	(311)
Investment Broker fee	0	(24)	0	0	**(24)**	(20)
Audit fees - internal audit provision	0	0	0	0	**0**	(4)
Audit fees - external statutory audit provision	0	0	0	(10)	**(10)**	(17)
	(3)	**(24)**	**(1,055)**	**(14)**	**(1,096)**	(1,252)

Grants made to institutions and individuals 8 During the year, the Charity made no grants to individuals or other institutions but funding was provided to STSFT for the benefit of patients, staff which could not be funded out of NHS operating expenses.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Analysis of non current asset investments

9 9.1 Traded Non Current Asset Investments:

	2023 Total £000	2022 Total £000
Managed Portfolios		
Market value at 1 April	**2,729**	2,570
Less: Disposals at Sales Proceeds values	**(312)**	(219)
Add: Acquisitions at cost	**1,204**	209
Net unrealised and realised gain / (loss) on sale and revaluation	**(140)**	169
Market value at 31 March	**3,481**	2,729
Fixed Interest Fund Holding		
Market value at 1 April	**1,061**	1,143
Less: Disposals at Sales Proceeds values	**(962)**	0
Add: Acquisitions at cost	**0**	0
Net unrealised and realised gain / (loss) on sale and revaluation	**(99)**	(82)
Market value at 31 March	**0**	1,061
Total non current asset investments	**3,481**	3,790
Historic cost at 31 March - Managed Portfolios (and Fixed Interest Holding year ending 31 March 2022 only)	**3,896**	4,221

9.2 Traded Non Current Asset Investments:

	31 March 2023 Total £000	31 March 2022 Total £000
Investments listed on a recognised Stock Exchange:		
In the UK	1,487	2,045
Outside the UK	551	183
Unlisted securities:		
In the UK	983	1,050
Outside the UK	460	512
Total	3,481	3,790

Analysis of gross income from investments

9.3 Total gross income:

	2023 Total £000	2022 Total £000
Investments listed on a recognised Stock Exchange:		
In the UK	60	62
Outside the UK	5	0
Unlisted securities:		
In the UK	17	11
Outside the UK	8	8
Investments in a Common Deposit Fund	15	0
Current account / short term Interest	68	0
Total	173	81

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Analysis of Trade and other Receivables 10 Amounts falling due within one year:

	31 March 2023 £000	31 March 2022 £000
Trade receivables	32	9
Amounts due from STSFT	0	1
Prepayments and accrued income	12	25
Total receivables falling due within one year	44	35

Analysis of Cash and Cash Equivalents 11 Cash and cash equivalents

	31 March 2023 £000	31 March 2022 £000
Cash at GBS (and commercial bank 31 March 2022)	6,424	4,849
Notice Deposits (less than 3 months)	465	463
Cash held in dealing account with Investment Broker	146	61
Total cash and cash equivalents	7,035	5,373

Analysis of Trade and other Payables 12 Amounts falling due within one year:

	31 March 2023 £000	31 March 2022 £000
Amounts due to STSFT	(104)	(583)
Trade payables	(45)	(49)
Accruals and deferred income	(136)	(11)
Total payables falling due within one year	(285)	(643)

Analysis of Funds 13

13.1 Endowment Funds

Details of material funds - Endowment Funds

	Balance 1 April 2022 £000	Income £000	Expenditure £000	Transfers £000	Gains on Disposals £000	Gains on Revaluations £000	**Balance 31 March 2023 £000**
Fund 1910 Legacy	156	3	0	(3)	0	0	**156**
Fund 1900 Legacy	2	0	0	0	0	0	**2**
Funds1920-1940 Gifts	1	0	0	0	0	0	**1**
Total	**159**	**3**	**0**	**(3)**	**0**	**0**	**159**

13.2 Description of funds

Fund 1910 Legacy	Capital in Perpetuity to purchase equipment at Sunderland Eye Infirmary.
Fund 1900 Legacy	Capital in Perpetuity to place "In memoriam" flowers in the Chapel.
Fund 1920	to benefit the Library
Fund 1930 +1940	to benefit Nursing

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Analysis of Funds **13 (Continued)**

Details of material funds - Restricted Funds **13.3 Restricted Funds**

Material funds	Balance 1 April 2022 £000	Income £000	Expenditure £000	Transfers £000	Gain on Disposals £000	(Loss) on Revaluation £000	Balance 31 March 2023 £000
Leukaemia Research Legacy	107	5	(2)	0	1	(4)	107
Orthopaedics bequest	36	0	0	0	0	(1)	35
Neonatal Unit Legacy	13	1	(12)	0	0	0	2
Other designated funds	21	2	0	0	0	(1)	22
Total	177	8	(14)	0	1	(6)	166

13.4 Description of funds

Leukaemia Research Legacy	-	For leukaemia and lymphoma research.
Orthopaedics bequest	-	For the provision of an operating theatre bed specifically designed for people suffering from curvature of the spine
Neonatal Unit legacy	-	For South Tyneside neonates

Details of material funds - Unrestricted Funds **13.5 Unrestricted Funds**

Material funds	Balance 1 April 2022 £000	Income £000	Expenditure £000	Transfers £000	(Loss) on Disposals £000	(Loss) on Revaluation £000	Balance 31 March 2023 £000
Medical Equipment purposes	3333	2,320	(323)	0	(45)	(65)	**5,220**
General Purposes	317	266	(128)	0	(4)	(6)	**445**
Paediatric department	338	7	(4)	0	(4)	(6)	**331**
NeoNatal Unit	324	16	(10)	0	(3)	(5)	**322**
COVID 19	339	66	(184)	0	(4)	(6)	**211**
Rise Above Cancer	170	29	(20)	0	(2)	(3)	**174**
SRH ICCU	158	58	(50)	0	(3)	(3)	**160**
Phoenix Unit - Chemotherapy	131	21	(2)	0	(2)	(3)	**145**
Glaucoma purposes	147	4	(3)	0	(2)	(3)	**143**
Maternity Unit	140	3	(2)	0	(2)	(2)	**137**
Renal purposes	88	14	(1)	0	(1)	(2)	**98**
Diabetes purposes Legacy	90	2	(1)	0	(1)	(2)	**88**
Pharmacy department	81	7	(1)	0	(1)	(1)	**85**
ALS course - Resusc	62	37	-16	0	(1)	(2)	80
SEI General Purposes	57	22	(1)	3	0	(1)	**80**
Clinical Haematology	119	2	(40)	0	(1)	(2)	**78**
Staff Lottery	64	11	(7)	0	(1)	(1)	**66**
SRH Ward D46 Stroke (prev E58,D41)	87	6	(25)	0	(1)	(1)	**66**
STDH Cardiology bequests	66	2	(1)	0	(1)	(1)	**65**
ENT/SALT purposes	62	1	(1)	0	(1)	(1)	**60**
Orthopaedic Department	73	2	(13)	0	(1)	(1)	**60**
SRH Cardiology	58	3	(1)	0	(1)	(1)	**58**
South Tyneside Community Planned Car	65	10	(16)	0	(1)	(1)	**57**
Thoracic Medicine	52	2	0	0	(1)	(1)	**52**
Gynaecology purposes	52	1	0	0	(1)	(1)	**51**
Other	1746	132	(232)	0	(20)	(8)	**1,618**
Total Unrestricted Funds	**8,219**	**3,044**	**(1,082)**	**3**	**(105)**	**(129)**	**9,950**

Transfers: During 2022/23 the only transfer was a Gross transfer of funds to move Endowment (CIP) income to Unrestricted funds

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Details of material funds - Unrestricted Funds (continued)

13.6 Description of funds

Medical Equipment purposes (Incl CHoICE donation)	Larger items of medical equipment funded from CHoICE donations.
General Purposes	Trustwide in accordance with the objects of the Charity.
Paediatric department	Equipment and patient amenities across Paediatrics
NeoNatal Unit	Equipment and patient amenities for the Neonates service
COVID 19	Trustwide in accordance with the objects of the Charity and conditions set by NHS Charities Together (Incl Captain Sir Tom Moore distributions).
Rise Above Cancer	Information, support and complimentary therapy treatment rooms on Sunderland Royal and South Tyneside District hospital sites
SRH ICCU	Purposes benefitting the Intensive Critical Care Unit
Phoenix Unit - Chemotherapy	Equipment and patient amenities within the Unit - relocated
Glaucoma purposes	Incorporating the GRAD@S fund, for glaucoma service purposes including research and development
Maternity Unit	Equipment for the maternity unit and purposes in accordance with the objects of the Charity
Renal purposes	For expenditure in accordance with the objects of the Charity.
Diabetes purposes Legacy	For expenditure in accordance with the objects of the Charity.
Pharmacy department	Equipment, training and education within the department.
ALS course - resuscitation	Advanced Life Support course delivery
SEI General Purposes	For Eye Infirmary benefit in accordance with the objects of the Charity.
Clinical Haematology	Equipment, education and patient care in Clinical Haematology.
Staff Lottery	Staff lottery draw - to benefit STSFT healthcare provision.
SRH Ward D46 Stroke (previously located on ward E58)	Equipment and patient amenities within the ward
STDH Cardiology bequests	For expenditure in accordance with the objects of the Charity.
ENT/SALT purposes	For purposes including Head and Neck cancer services
Orthopaedic Department	Equipment, training and education within the department.
SRH Cardiology	For expenditure in accordance with the objects of the Charity.
South Tyneside Community Planned Care	For expenditure in accordance with the objects of the Charity.
Thoracic Medicine	For expenditure in accordance with the objects of the Charity.
Gynaecology purposes	For expenditure in accordance with the objects of the Charity.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Trustee and Connected Persons Transactions **14**

14.1 Recharges from Corporate Trustee

STSFT, as Corporate Trustee of the Charity, incurred rechargeable expenditure on behalf of the Charity amounting to £1,138,486 (£946,017 2021/22). The rechargeable expenditure relates to the Charity's objectives, and represents the majority of the resources expended as shown in note 6.1.STSFT does not recharge any costs for services provided by its Directors.

An amount of £103,580 is included within payables for outstanding transactions not yet reimbursed. (£316,079 payable re 2021/22, plus accrual £266,524).

14.2 Analysis of Contributions to NHS

The Charity provided the following capital donations to STSFT:

	2023 £000	2022 £000
Equipment	379	646
Fixtures and Fittings	0	0
IT equipment	137	0
Buildings	1	0
	517	646

14.3 Trustee Indemnity Insurance

No indemnity insurance was provided to the Trustee in the year to 31st March 2023 (2021/22 Nil).

14.4 Related Party Transactions

The Charity has made revenue and capital donations to its Corporate Trustee, STSFT. The Corporate Trustee, which is the ultimate controlling party, consists solely of members of the Board of Directors who assume responsibility and accountability for the Charity.

During the year, none of the Directors or members of the key management staff or parties related to them has undertaken any private transactions with the South Tyneside and Sunderland NHS Foundation Trust Charitable Funds.

No member of the Board of Directors has been reimbursed "out of pocket" expenses by the Charity.

There were no loans or guarantees secured against assets of the Charity in the year to 31st March 2023 (2021/22 Nil).

The Charitable Funds received a donation of £2,500,000 (2021/22 £2,000,000) from City Hospitals Independent Commercial Enterprises Ltd (CHoICE), which is the subsidiary of STSFT.

The Charitable Funds did not place any non stock requisitions via CHoICE, but CHoICE did process minimal value stock items for Comfort Care/End of Life Care Packs £170, (2021/22: £523)

Internal audit services are provided by AuditOne.

Services provided to the Charity by AuditOne during the financial year 2022/23 were nil (21/22: £3,770).

14.5 Post Balance Sheet Event

There are no post balance sheet events

South Tyneside and Sunderland NHS Foundation Trust Charitable Funds

England & Wales - Charity number 1052366

Accounts

SOUTH TYNESIDE AND SUNDERLAND NHS FOUNDATION TRUST CHARITABLE FUNDS

TRUSTEE ANNUAL REPORT

FOR THE PERIOD 1 APRIL 2021 – 31 MARCH 2022

SOUTH TYNESIDE AND SUNDERLAND NHS FOUNDATION TRUST CHARITABLE FUNDS

TRUSTEE ANNUAL REPORT 2021/2022

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Reference and Administrative Details of the Charity

Registered Address – Charity and Corporate Trustee

South Tyneside and Sunderland NHS Foundation Trust
Sunderland Royal Hospital
Kayll Road
Sunderland
SR4 7TP

The Charity was first registered by the Charity Commission as number 1052366 under a Declaration of Trust dated 7 December 1995 in respect of the former City Hospitals Sunderland NHSFT Charitable Funds (CHS), as amended 24 March 2020 to include the merger with the former Charity South Tyneside General Charitable Fund (ST), registered number 1059500, effective from 1 April 2020. From the 1 April 2020 the merged charity name is South Tyneside and Sunderland NHSFT Charitable Funds.

The Charity's working name is 'STS Charity'.

The Charity's single Corporate Trustee (the Trustee) is South Tyneside and Sunderland NHS Foundation Trust (STSFT).

The Trust Board of Directors (BoD) holding office from April 2021 to January 2023 are:

Chairman Chair	John Anderson – to 31 March 2022 Allison Thompson – from 1 April 2022, previously non executive Vice Chair
Chief Executive	Ken Bremner
Executive Directors	Shahid Wahid – Executive Medical Director Hayley Wardle – Executive Director of Finance Melanie Johnson –- Executive Director of Nursing, Midwifery and Allied Health Professionals Peter Sutton – Executive Director of Planning and Business Development Kath Griffin – Executive Director of Human Resources and Organisational Development
Trust Secretary/Director	Andrea Hetherington – Director of Corporate Affairs and Legal/Trust Secretary/Freedom to Speak Up Guardian
Non-Executive Directors	Stewart Hindmarsh David Barnes – stood down 31 March 2022 Paul McEldon

Allison Thompson – Vice chair to 31 March 2022
Ngozi Lyn Cole – Chair of Charitable Funds Committee
Alan Clarke
Debbie Carrick-Sen
Mike Laker
Chris Gray – (non voting)
Martin Knowles – from 15 August 2022
Roy McLachlan – from 15 August 2022

Professional services are provided by:

Bankers

Lloyds Bank plc
54-55 Fawcett Street
Sunderland
SR1 1SE

NatWest bank plc
Government Banking services branch
1000 Cathedral Square
Cathedral Hill
Guildford
GU2 7YL

Investment brokers

Rathbone Investment Management Ltd
Earl Grey House
75-85 Grey Street
Newcastle upon Tyne
NE1 6EF

CCLA
Senator House
85 Queen Victoria Street
London
EC4V 4ET

Independent External Auditor

Ernst & Young LLP
Citygate
St James' Boulevard
Newcastle upon Tyne
NE1 4JD

Independent Internal Auditor

AuditOne
Kirkstone Villa
Lanchester Road Hospital
Durham
DH1 5RD

Trustee Report

Governance, Management and Structure

Whilst all Charities in the NHS must operate within the legal and regulatory framework laid down in the Charities Acts (plus any directions issued by the Secretary of State for Health), a Corporate Trustee has considerable discretion in determining how on a daily basis, the charity operates.

When the BoD is acting in the capacity of Corporate Trustee, there must be recognition that:

1. Charitable Funds are distinct from the exchequer funds provided by Government; and
2. In acting as Corporate Trustee the BoD has a separate and distinct responsibility for the administration of the Charitable Funds.

A Corporate Trustee cannot delegate its statutory duties and remains accountable for the Charity's performance but day to day management, can be delegated.

To this end the Charitable Funds Committee (CFC) established on 1st April 2010 continues to oversee the administration of the Charitable Funds in accordance with any statutory or other legal requirements or best practice required by the Charities Commission.

CFC Terms of Reference – as updated November 2022

Membership

Voting members:

2 Non-Executive Directors (one of whom is chair of the CFC)
2 Directors
- Executive Director of Finance
- Executive Director of Nursing, Midwifery and AHPs (Allied Health Professionals)

2 Public Governors

In attendance:

Director of Corporate Affairs and Legal/Trust Secretary/Freedom to Speak Up Guardian
Associate Director of Finance - Financial Services

In attendance by invitation:

Charitable Fundraiser (part of Corporate Affairs function)
External Audit for the presentation of the Accounts
Investment Manager
Any others as required by the Committee

Quorum:

Minimum two members, who must include an Executive and Non-Executive Director.

Voting members during the period April 2021 to January 2023:

Ngozi Lyn Cole	-	Chair
David Barnes	-	Non-Executive Director - retired 31 March 2022
Hayley Wardle	-	Executive Director of Finance from 1 April 2021
Melanie Johnson	-	Executive Director of Nursing, Midwifery and AHPs
Anita Hagon	-	Sunderland Public Constituency to 30 June 2021 and reappointed as Council of Governor Representative from September 2022
Karen White	-	South Tyneside Public Constituency to June 2022
Joyce Welsh	-	South Tyneside Public Constituency from 1 October 2021 until August 2022
Roy McLachlan		Non-Executive Director - from 15 August 2022
Martin Knowles		Non-Executive Director - from 15 August 2022
Angela Thompson		Council of Governor Representative from September 2022

CFC Duties

The Charitable Funds Committee will:

1 Ensure charitable funds are grouped in such a way that the wishes of the donors and the needs of the service are optimised.

2 Plan expenditure of charitable funds annually in accordance with Board policy.

3 Make recommendations to the Board of Trustees on issues of policy, investment and strategy.

4 Review and approve any formal income generation schemes as they arise over £5,000.

5 Authorise or decline expenditure which has exceeded delegated limits of individual officers to ensure the duties of Trustees are adequately discharged.

6 Oversee and monitor the functions and responsibilities performed by the Executive Director of Finance as defined in the Standing Financial Instructions.

7 Monitor the use of charitable funds across the organisation, ensuring the scheme of delegation is applied appropriately and funds are utilised for the correct purposes.

8 Monitor the scheme of delegation for expenditure within agreed limits.

9 Receive regular feedback on signed off commitments above £5,000, and approve any expenditure above £20,000. (Expenditure in excess of £200,000 requires formal BoD approval as Corporate Trustee).

10 Ensure adherence to the Trust's Standards of Business Conduct for the ordering and receiving of goods and services.

11 Ensure the Board of Trustees is kept up to date with all matters relevant to their role.

12 The CFC is empowered with responsibility:

- For the 'day to day' management of the investments of the Charitable Funds in accordance with the investment strategy set down annually by the Board of Trustees;
- To oversee and approve the work of the Fundraising Strategy, setting the ambition over the medium and long term.
- To liaise with donors and voluntary organisations to ensure wherever possible the assets donated are those most needed by the Trust,
- To review fund balances to ensure active management and utilisation of these funds,
- To ensure that procedures for Charitable Funds Investment decisions are made which preserves their capital value and produces a maximised return from prudent investment,
- To ensure the appropriate risk registers and associated action plans are in place across the organisation for all risks relating to Charitable Funds. The Charitable Funds risk register will be reviewed every six months,

- To ensure that the Investment Strategy is reviewed annually and approve any amendments as required,

- For the appointment of an Investment Manager to advise on investment matters and delegation of the 'day to day' management of some or all of the investments to the Investment Manager, in line with SFIs and Charities Commission requirements where relevant.

- The Committee will review and present the Charitable Fund Report and Accounts to the Board of Trustees

Conduct of Business

1 Meetings are held on a bi-monthly basis, a minimum of five meetings per year with notice of each meeting together with an agenda and papers being made available to each member no later than five clear days before the meeting.

2 The Executive Administrative Team shall provide administrative support to the Committee and maintain a schedule of matters arising and agreed actions.

Reporting and Review

1 The minutes of the Charitable Funds Committee meetings shall be formally recorded and submitted to the Board of Trustees. The Chair of the Committee will report to the Board of Trustees following each meeting on any issues for escalation.

.2 The Committee will review its Terms of Reference and its effectiveness against the requirements of its Terms of Reference on an annual basis, and report the findings to the Board of Trustees.

In May 2018 the General Data Protection Regulation (GDPR) came in to force. Under this legislation, any personal data held (e.g. names of living or deceased persons) cannot be disclosed in this Annual Report unless the person has been informed and given consent. Some of the restricted funds held by the Charity were set up under the name of the bequestor. In these circumstances these personal names are not being disclosed in the Financial Statements and Trustee Annual Report (TAR).

The Charity is registered as an Umbrella Charity. Within the one registration, multiple funds are permitted, four of which are registered with the Charity Commission as 'Special Purpose Funds'. The Special Purpose restricted funds are:

- Fund 2470 - Two bequests for the benefit of Sunderland Eye Infirmary (one of which has a small portfolio managed by Rathbone Investment Management).
- Fund 4280 - Legacy for the benefit of Paediatric physiotherapy and assessment services located at the Children's Centre.

- Fund 9245 - Bequest for the provision of flowers in the chapel on specified dates. Income was received as an endowment.
- Fund 3345 - Leukaemia and Lymphoma Research Fund from a legacy which has a small portfolio managed by Rathbone Investment Management.

The Annual Report and Annual Financial Statements have been prepared to comply with the requirements of FRS102 (Financial Reporting Standard 102), the Charities FRS102 SORP (Statement of Recommended Practice), the Companies Act 2006 and the Charities Act 2011.

The Trustee has had regard to Charity Commission guidance on public benefit in section 4 of Part 1 of the Charities Act 2011.

The information in the Charity's Annual Report regarding its activities and achievements is structured to allow the reader to see how the information sits with the Charity Commission aspects of Public Benefit Reporting and adds some detail to the financial data in the Financial Statements on pages 29 – 44.

The Charity Commission has set out the following guidance relating to the two aspects of public benefit:

The 'benefit aspect'
The 'benefit aspect' of public benefit is about whether the purpose is beneficial

Legal requirement: to satisfy the 'benefit aspect' of public benefit:

- a purpose must be beneficial - this must be in a way that is identifiable and capable of being proved by evidence where necessary and which is not based on personal views; and
- any detriment or harm that results from the purpose (to people, property or the environment) must not outweigh the benefit - this is also based on evidence and not on personal views.

The 'public aspect'
The 'public aspect' of public benefit is about whom the purpose benefits

Legal requirement: to satisfy the 'public aspect' of public benefit the purpose must:

- benefit the public in general, or a sufficient section of the public - what is a 'sufficient section of the public' varies from purpose to purpose; and
- not give rise to more than incidental personal benefit - personal benefit is 'incidental' where (having regard both to its nature and to its amount) it is a necessary result or by-product of carrying out the purpose.

The main purpose of the Charitable Funds, as contained in the Charity's Trust Deed 'object' clause is to 'apply income for any charitable purpose relating to the National Health Service'. In practice this is wholly or mainly for the services provided by South Tyneside and Sunderland NHS Foundation Trust.

South Tyneside and Sunderland NHS Foundation Trust provides both acute hospital and community based healthcare services and serves a local population of approximately 430,000 residents with a wider catchment for more specialised services to a population as great as one million. There are no groups who are actively excluded from the potential to benefit from Charitable Funds resources.

Approximately 185 individual funds exist within the Charity registration. The majority of the Trust's wards and acute services have access to a fund. Geographically the funds exist to cover South Tyneside District Hospital, Sunderland Royal Hospital, Sunderland Eye Infirmary, the Durham Treatment Centre and community based services in South Tyneside, Sunderland and Gateshead.

Funds which are expected to hold a balance of £5000 or more can only be set up with CFC approval. Research funds would also require approval from the Head of the Research and Innovation Department. The scope for new research initiatives to sit fully within charitable funds continues to be limited partly due to the level of funding that may be required and where this funding might come from. Commercial and NHS funding cannot be included within charitable funds.

The existence of a fund to cover a specific ward, specialty, or activity is dependent on any or all of the following being received:

- Private individual donations, which include personal fundraising;
- Corporate sponsorship/support - freely given with no commercial gain or advantage to the donor – e.g. to support training events or equipment purchases;
- Legacies;
- Institutional support – e.g. from Universities in furtherance of pre-existing charitable research projects;
- Charity support – e.g. for equipment purchases or to develop training facilities or for General Purposes;
- Clinicians electing to waive their personal fee for private work and opting to have the fee donated to the Charity;
- Staff lottery; and/or
- Fundraising - Corporately organised.

Each fund has at least two designated managers. Fund managers have a delegated authority from the CFC to oversee their particular fund(s). Approval limits for authorising expenditure mirrored the controls in place for STSFT during 2021/2022 with the exception of standard fundholders who have a limit of up to £1,000 per transaction, which is lower than their limit for revenue transactions.

Any order valued at £5,000 or more requires a written proposal which must be presented to the CFC for consideration.

Any order which is Capital in nature (a fixed asset valued at £5,000 or more that will be donated to the Foundation Trust) must first receive approval to proceed from either the Capital Facilities Sub Group or the Capital Medical Equipment Sub Group. Any information technology (IT) requests must first be approved by the IT department.

Capital orders of £50,000 and above must also be approved by the Capital Development Steering Group (CDSG).

Accounting functions and the day to day administration of the funds are handled by the Charitable Funds and Capital Finance Officer within the Financial Services Department, located in Ward 17, South Tyneside District Hospital, Harton Lane, South Shields, NE34 0PL. The charity has a financial ledger system which is operated independently from the STSFT's own system.

The Charity currently has investments managed by both the CCLA and Rathbones. In early 2021 the Investment Management contract re-tendered, and Rathbones was successful in being reappointed.

The investment broker Rathbones, as Nominee manages the investments on a discretionary basis and is required to provide at least a quarterly portfolio valuation and attend nominated CFC meetings to advise on performance, opportunities and possible market concerns. Its performance is reviewed annually by the CFC.

The Fixed Interest Holding investment with the CCLA was liquidated in October 2022 with the proceeds being retained in the Charity's main bank account attracting interest on a monthly basis, until Rathbones advise market conditions are favourable for further investments to be made.

The Nominee manages three portfolios, two of which resulted from legacies and are earmarked for specific funds. The portfolios are:

- The Main Portfolio - for the benefit of all funds except the Special Purpose Funds;
- Fund 3345 - Leukaemia and Lymphoma Research (Special Purpose Fund); and
- Fund 2470 – Incorporating a bequest for the benefit of the Eye Infirmary which has a small portfolio managed by Rathbone Investment Management. This is for the benefit of the Eye Infirmary, held within the Eye Infirmary General Purpose fund.

Risk and Assurance

The Charity has assessed the major risks to which it may be exposed and has put in place policies and procedures to mitigate these risks. In particular:

- The internal controls of STSFT have been adopted by the Charity;
- The Charitable Funds Administrator/Procurement Department/General Office verify that all items requested from the funds are adequately authorised and in accordance with the objects of the Charity; and
- The Charity maintains a register of potential risks which is reviewed every six months.

A significant area of uncertainty that affects the carrying value of assets held by the Charity is the performance of investment markets. The performance of the Investment Broker is reviewed as a minimum on a quarterly basis by the Trustee. The following projection covers up to 12 months following the 2021/22 audited accounts sign off.

Based on the Charity's available cash resources at the date of the financial statements approval, the Trustee considers that there are no material uncertainties about the Charity's ability to continue as a going concern up to 31 January 2024.

Uncertainties over the level of future income constitutes a risk to the going concern of the Charity. To this end, expenditure commitments are logged and reviewed by the CFC to ensure they have not exceeded monies held as cash and cash equivalents.

The risks around investment balances have been mitigated through the holding of balanced portfolios fully managed through the Nominee where the asset allocation mirrors the Charity Commission recommendation that no one investment should on average comprise more than 5% of the portfolio. The Charity held units in a Fixed Interest investment with the CCLA until October 2022.

The Charity's operation and records are reviewed and tested by the external auditors Ernst & Young LLP (EY) both as part of STSFT's annual accounts audit and as part of the statutory annual audit on the information reported within the Charity's Annual Financial Statements. EY also review the Annual Report and report their audit findings to the CFC. In 2021/22 the Charity has received an internal audit by Audit One reporting on the internal controls and transactions spanning 2020/21 and the first quarter of 2021/22 the outcome of which was reviewed in the autumn of 2022.

Protecting vulnerable people and Data Protection

The Charity exercises care and sensitivity when engaging with its donors and any activities involving vulnerable people. As an NHS Corporate Trustee Charity, the Charity adheres to the Trust's Safeguarding, Equality Diversity and Human Rights, Dementia, Learning Disabilities, Mental Health Awareness, Freedom to Speak Up and Information Governance and Data Security policies.

Objectives and Activities

The Trust Deed permits funds to be used for any charitable purpose(s) relating to the National Health Service. The objective of charitable funds expenditure is to provide an enhancement to patient/public benefit by being over and above what would be provided as part of STSFT's core services whilst also fulfilling the Charity Commission requirements on 'public benefit'.

Donors may express a wish as to the application of a specific gift, providing it falls within the overall purpose of the Charity. Gifts received by way of legacies must be applied in accordance with the terms of the Will. The Charity does not accept legacies where it feels it cannot meet the terms of the Will. There are no funds to benefit specific named individuals, nor is any expenditure incurred that benefits a sole individual.

The CFC issues an 'Acceptable Spend Areas' list to senior managers, last updated in February 2021. It also contains a list of items that will not generally be funded via Charitable Funds.

In practice, funds are expended mainly on amenities for patients, medical equipment purchases and training. Financial support for staff employed at Sunderland to extend their knowledge through training or research is available because it enhances the skill set used in the delivery and management of healthcare. Funding of staff reward and recognition awards and ceremony is permitted by the CFC, though during the financial year no events were held due to the ongoing impact of the Covid19 pandemic.

The CFC delegates day-to-day management of the funds to designated fund managers who may also be operational service managers, with responsibility that may include clinical input within STSFT. These managers can thus tailor expenditure to provide defined benefits that are available to all service users.

Donations are allocated to a designated fund on receipt, by reference to the source of the donation and to the donor's instructions, if expressed.

Fundraising

The post of Fundraising Officer was created in February 2016 as part of the Corporate Affairs function. The post-holder is tasked with raising the profile of the Charity, with the aim of increasing income from donations and fundraising. An increase in income would permit the Charity to increase its spending, benefitting the provision of healthcare.

Between April and December 2021 the fundraising officer concentrated on delivering elements of the Fundraising Strategy which aims to promote closer links with corporate supporters through a Business Club and developing the charity's presence on the STSFT website so the public have access to an online donation facility. There were no corporately organised fundraising events during 2021/22. Unfortunately the Fundraiser left the Trust in December 2021 and it has not been possible to appoint a suitable replacement.

The Charity voluntarily subscribes to the Fundraising Regulator and its Code of Fundraising Practice. The Regulator assumed responsibility for regulating fundraising from July 2016 and investigates and takes appropriate action on cases of public concern.

The Charity continues to run a monthly staff lottery draw. The lottery is licensed by the City of Sunderland Council under The Gambling Act 2005. The lottery proceeds may only be used for purposes falling within the Charity's objects clause.

Source and application of funds

Funds are used for both the purchase of relatively minor items for which NHS funding would otherwise not be available and also individual larger items of medical equipment or appropriate building work which are gifted to the Trust as donated Capital Assets and appear on the STSFT Statement of Financial Position.

The charitable funds have continued to provide a valuable resource to enable STSFT to provide additional facilities for patients and staff which otherwise would not have been possible.

Sources of funds are principally individual donations and legacies. Fundraising by volunteers and also the staff lottery contribute towards income. Income received by way of fees for courses run by STSFT accounted for 3.54% of total income in 2021/22 (2020/21: 3.47%). This course fee income can only be held within charitable funds if the purpose is purely educational and the courses are not run for the purpose of income generation. The advancement of education is not the Charity's primary aim, but in providing education, that increased knowledge base allows for the development and advancement of healthcare delivery.

CHoICE, the wholly owned subsidiary company to STSFT, once again donated to the Charity. Procurement services are provided to STSFT by CHoICE, but CHoICE does not control what its donation is spent on, nor does it directly procure goods on behalf of the Charity. During 2021/22 CHoICE significantly increased its donation to the Charity with 2 donations each of £1,000k (2020/21: £1,000k).

Income from donations alone increased significantly in 2021/22 totalling £2,246k (2020/21: £1,457k), with legacy receipts totalling £103k (2020/21: £110k). There were no grants specifically given to assist with the Covid effort (2020/21 - £258k) however one Fundraising grant was received to benefit the Neonatal Unit, enabling the unit to order a nano scanner (delivered in 2022/23 financial year).

General personal donations were £214k (2020/21's £162k) with fewer donors but those who donated, gave more money to the Charity.

Achievements and Performance in support of the Charity's primary aim

Patient and staff welfare and amenities

Minor items of medical equipment (£9k) (2020/21 £15k) mostly to benefit the Trauma and Orthopaedics service with an observation machine, custom femoral cutting guide and, and a patient transfer scale for the Stroke ward.

Specialist staff:
The Haematology specialist nurse project being jointly funded through the Bright Red Charity based at the Freeman Hospital in Newcastle Upon Tyne came to the end of its contracted term in May 2021 (£9k before contribution from Bright Red charity of £4k) (£98k net 2020/21). Bright Red's three year support of this initiative is gratefully acknowledged. The administrative support to the multiple sclerosis (MS) service continued to be funded (£27k).
The Trust-wide Quality Improvement Facilitator nursing post ended it trial funding within charitable funds at the end of July 2021 (£16k).
The 'Thrive' staff psychology scheme being initially funded through donations and grants received in response to the Covid19 pandemic commenced in July 2021 (£98k). The scheme's aim is to help staff deal with the stresses experienced during both the height of and the recovery from the Covid19 pandemic.
The Tissue Viability nursing posts being trialled for one year across wards commenced in July 2021 (£53k).

The Inclusion Advisor two year fixed term post being trialled from charitable funds commenced in April 2021 (£38k).
The post of bereavement lead within maternity services commenced in October 2021 (£24k). This trial project is being funded for two years from charitable funds.

All Cancer patient services (£39k): including the Cancer Patient Information Centre (the Rise Above Cancer fund) continued to support patients by making legal advice available through Legacare (£10k), and in conjunction with the Phoenix Unit bought in counselling services provided by Sunderland Counselling (£3k). An 8 month extension to the provision of a benefits advisor cost £23k, a service jointly funded with Sunderland City Council before the Council took over 100% of funding the service. Bandanas and scarves continued to be made available to cancer patients (£2k). The service continues to support patients' children by providing 'worry monster' therapy 'toys' (£1k).

In 2021/22 the Rise Above Cancer fund received £27k income from donations and spent £39k for the benefit of cancer patients and their families (2020/21: £42k income, £46k spent).

Rise Above Cancer is still affiliated to Macmillan and is supporting ever increasing numbers of patients. During the Covid19 pandemic, STSFT had to intermittently suspend the complementary therapy sessions to cancer patients and their carers, provided by Coping with Cancer North East however the service was retained and therapy sessions fully resumed again in June 2021.

The service benefits a range of cancers including breast, prostate, lung, bowel, liver, stomach, and gynaecological. The centre has also provided invaluable advice on benefits which during the Covid19 pandemic had to be telephone based. Patients still have access to Legacare services (£10k) for considerations such as drawing up a Will and guardianship. STSFT works closely with the cancer charity 'Look Good Feel Better' to hold monthly workshops to support patients coping with the physical effects of cancer by providing makeup sessions to help build patients' confidence and self-esteem. The workshops resumed in Sunderland in September 2021 after being on hold during the height of the Covid19 pandemic and are accessed by both Sunderland and South Tyneside patients.

Furniture and fittings (£25k) (£10k 2020/21): Included, physiotherapy recommended low back high seat chairs for care of the elderly and stroke wards (£19k), and tables (£3k), caretray trolleys (£4k), pharmacy fridge (£3k) for a study being conducted in gynaecology, and a refund of £4k for child friendly graphics in an X ray room being borne by a supplier.

Other (£26k) – There have also been a number of smaller value items funded during the financial year. For example, Christmas gifts for patients occupying a bed on Christmas morning and for children undergoing treatment in the week before Christmas (£12k), a patient education video was produced for Trauma and Orthopaedic patients (£2k), comfort packs made available to all wards as well as End of Life care packs provided to vulnerable patients being cared for at home (£3k), special blanket nests for parents to cradle babies on the Neonatal Unit (£3k), toys and therapy items for Paediatric and Neonatal areas, and the Alexandra Centre caring for dementia patients (£4k). A new

initiative commenced trialling the Alzheimer Society soft toy reactive 'pets' to be made available to any dementia patient on any ward (£1k).
The Haven Court residence located on the site of South Tyneside District Hospital, whose patients are both short and long term, continued to provide amenities and activities for its residents ranging from a bird bath and wind chimes, plants, a selection or texts from world religions and party items to celebrate the centre's five year anniversary (£1k).

Contributions to NHS

The Charity also made contributions to the NHS worth £646k (2020/21: £464k) that are included under Donated Capital Assets in STSFT's Statement of Financial Position.

Examples of the equipment assets purchased include:

Head and Neck Directorate:

- Stealth Station (£101k) – Navigation and image guidance technology for ENT surgery – particularly skull base surgery.
- Intra oral scanner (£20k) – amongst various applications it reduces the need for impressions to be taken and therefore lab time, and allows images to be attached to CT scans
- Auditory brainstem response tool (£20k) – essential for the hearing assessment in new born babies and useful for children and adults as it does not rely on the individual making a response to sound themselves.

Ophthalmology Directorate

- Colour Fundus cameras x 3 (£39k) – the fundus camera provides both colour and angiographic images covering a 200 degree field of view.. It has proved to be very useful in assessing patients first seen in the Emergency Department and also Paediatrics.
- Optical Coherence Tomography (OCT) scanner (£36k) – used on patients with macular degeneration

Clinical Support – Radiology

- Portable ultrasound machine (£55k) – will facilitate ward based scanning and movement of outpatient scanning closer to clinics.
- Cardiothoracic medicine (£33k) Cardiac MRI scheme – of which specialist software to integrate with the Trust's MRI scanner was charged in 2021/22. Further costs to come in 2022/23.

Theatres Division

- Gamma probe (£30k) – a hand held minimally invasive tool which locates lymph nodes for removal by locating a trace given off by an injected agent.

Training and Education Support

During 2021/22, 8 different course types were run by Sunderland Royal Hospital for both STSFT staff and professionals outside the Trust (2020/21: 6). As in previous years these include the Advanced Trauma Life Support (ATLS), Advanced Life Support (ALS), Advanced Paediatric Life Support (APLS), Neonatal Life Support (NLS, Immediate Life Support (ILS) and Paediatric Life Support (PLS), with more of the latter two taking place as Covid pressures allowed.

Experts to facilitate these courses are sourced from across the UK. Both qualified and trainee medical and nursing staff in the UK attend these courses to extend or maintain their skills in accordance with current best practice. Courses held in 2021/22 generated £92k at a cost of £65k (2020/21:£69k income,£39k costs). Expenditure includes equipment for course provision.

Course attendance consists of members of staff from STSFT.

Research

No research costs were incurred.

Achievements and Performance - Investments

Traded investments and cash - income totalling £81k (2020/21: £83k).

Traded investments - Rathbones		Fixed Interest Holding - CCLA		COIF** deposit accounts	
2021/22	2020/21	2021/22	2020/21	2021/22	2020/21
£000	£000	£000	£000	£000	£000
50	46	31	36	0	1

** Charities variable interest deposit fund held with CCLA Investment Management, an investment body serving charities, churches and the public sector.

Current account interest from all bank accounts amounted to £212 (2020/21:£82). There was no working capital invested on the short term money markets.

Portfolio investments through Rathbones provide an income stream which exceeds current account interest (as demonstrated above) and also aims to provide some capital growth in the long term to enable income streams to better withstand inflationary pressures.

In line with the ethos of promoting patient care, the Corporate Trustee attempts to ensure that all investments are ethically and environmentally sound, and are not opposed to the purpose of the Charity.

The investment strategy includes the following:

The prime investment objective is to achieve a balanced portfolio between income and capital growth. The preferred level of investment risk is defined as 'Medium'. There should be no investment in companies associated with the production of Armaments, Alcohol or the Tobacco industry. Although not strictly prohibited, sensitivity should also be given to investments in other industries associated with Alcohol, Armaments or Tobacco production

Rathbone statement

'The financial year to 31st March 2022 began with investors focusing on the outlook for global inflation and plans by Central Banks to manage the economy towards a so-called 'soft landing' through a series of steady interest rate rises. However, any chance of a relatively calm year for markets was wiped out during the final quarter of the financial year following the invasion of Ukraine by Russia. The resulting spike in oil prices sent energy costs soaring following the invasion and Governments across Europe have had to step in to protect consumers and businesses alike.This cost of living crisis continues to dominate as inflation remains elevated and Central Banks have been forced to implement far more aggressive interest rate rises than expected in an effort to regain a level of control.

The portfolios remained invested within the agreed asset allocation ranges throughout the year and while Q1 2021/22 was negative, the investments managed to post an annual gain of 8.3%, slightly behind the composite benchmark gain of 9.1% but ahead of the 6% annualised spending target.

The outlook remains highly uncertain and markets remain volatile as investors weigh up the likelihood of Central Banks managing to curb spiralling inflation while a global recession hitting in 2023 looks likely. As long-term portfolios focused on delivering a positive real return, equities continue to make up the core of investment exposure which brings a correspondingly high level of short-term volatility. However, the portfolios remain well diversified and are well positioned to achieve the long-term investment objectives.'

The former CHS endowment and restricted funds continue to be invested in a Common Investment Fund (COIF) Deposit Account to preserve the initial capital value of the endowment element. The COIF Charities Deposit account interest rate fluctuated during the year but ended at 0.05% (2020/21: ending at 0.08%).

Financial Review of 2021/22

As at the 31 March 2022 the value of the funds was £8,555k. This represents a net increase of £1,433k on the 31 March 2021 Financial Statements value of £7,122k.
The increase comprises:

- £1,346k from income exceeding expenditure – income £2,598k less expenditure £1,252k (2020/21:income exceeded expenditure by £1,135k) principally due to the increased donation from CHoICE.

Plus net realised and unrealised gains on investments of £87k comprising:

- £145k from unrealised gains on the year end market value of the Charity's shareholdings with Rathbones (2020/21: unrealised gain with Rathbones £344k)
- £82k from unrealised loss on the year end market value of the Charity's Fixed Interest Holdings with the CCLA (2020/21: £15k loss)

- £24k from the realised gains on disposal of shareholdings with Rathbones (2020/21: realised gain on disposal with Rathbones £83k)

With Covid19 restrictions still in place during 2021/22 and reduced footfall around hospitals the Royal Voluntary Service (RVS) was still unable to resume its guaranteed gifting capability. CHoICE, the commercial enterprise wholly owned by the STSFT increased its donation to £2,000k (2020/21: £1,000k).

Please refer to note 2 of the Financial Statements for financial data surrounding income received.

The majority of volunteer fundraisers have very strong personal reasons for supporting a particular service. Most popular events are challenge events like the Great North Run, London marathon, Coast to Coast cycle ride. During the year one fundraiser via a football shirt raffle and crowdfunding raised £68k to support the purchase of a Videonasoendoscope with strobe stack for Ear Nose and Throat services, another raised £7k for the Rise above Cancer fund and the Colorectal and Stoma care fund through doing the Pen-y-Ghent peak beginner trial

Thank you to all the individuals, groups, schools, churches, many fellowships and clubs and employers who have generously supported STSFT's Charitable Funds.

The total resources expended were £1,252k (2020/2021: £848k) an increase of £404k. This increase (47%) is primarily attributable to a number of pieces of medical equipment that have been considered and approved by the Charitable Funds Committee during the course of 2021/22.

The Trust has not yet been able to recruit to the Fundraising Officer post.

Expenditure spanned the usual range of patient amenities which include regular events such as Christmas presents for patients occupying a bed on Christmas Day, babies born over Christmas and children attending theatres and A&E over Christmas, staff amenities principally retirement and long service awards.

Reserves Policy

The Trustee's Reserves Policy forms part of the plan to provide long term support to STSFT for new equipment, patient and staff benefits, with free reserves held within the Charity's General Purpose Fund.

The Trustee intends that designated funds are spent within a reasonable period of receipt unless funds are reserved for major future developments and therefore foresee a need only to maintain reserves sufficient for general Trust-wide funding applications.

The Trustee continues to review the balances held within designated funds in accordance with the provisions of the NHS Acts relating to Charitable Funds, to determine whether these funds are likely to be committed in the near future and the extent to which there is

a continuing need identified. In the event that the need identified no longer exists, those funds will be directed to the General Purpose Fund which is managed by Corporate Affairs. During the financial year balance transfers to the General Purpose fund amounted to £18k.

Free reserves held within the General Purpose fund amounted to £101k (£215k reported at 31 March 2021). This is equivalent to 1.1% of total fund balances (2020/21: 3%).

Future charges accounted for against this fund during 2022/23 include:

- £12k for retirement awards;
- £4k for patient 'Comfort Packs';
- £12k for Long Service awards for staff;
- £12k for gifts for patients in hospital on Christmas Day.
- £175k CFC approved bids during 2020/21 – bereavement lead midwifery, nursing, midwifery research 6 month secondments, mouth care practitioner, delivery suite staff rest room extension

Balances may be accumulated in an individual fund prior to the commencement of a project or the purchase of an expensive piece of medical equipment; this is to ensure that there are sufficient resources before commitment so that other earmarked funds are not placed at risk. STSFT is responsible for the day to day running costs and maintenance of equipment purchased through donated funds.
The CFC continues to take an active interest in reviewing fund usage to establish that funds are used appropriately and in a timely, controlled manner.

There are no funds in deficit.

Our Thanks

We greatly value the support we received from CHoICE for donating profits to the Charity and look forward to engaging with the RVS again and also the League of Friends who supported initiatives at South Tyneside District Hospital, pre Covid 19.

As always, the Charity is grateful to the countless volunteer fundraisers who dedicate time and energy to raising funds for a number of specific services. Whatever the value of a donation made, we are grateful to all our donors and we acknowledge that for many, 2021/22 continued to be a challenging year both financially and emotionally. We value the letters of thanks that are received, and our sympathies remain with families and friends who donate or continue to fundraise in memory of loved ones.

Without the on-going and tireless support of organisations, volunteers, individuals and their families, the Charity would not be able to pursue the many projects undertaken this year. To all of our donors we give our thanks and hope for your continued support in the years to come.

Plans for the Future

The Macmillan Patient Information Centre located at Sunderland Royal Hospital known as the 'Rise Above Cancer' fund continues to support the Personalised Patient Care Programme to look at Survivorship Activities Programmes and its sister centre has been established at South Tyneside District Hospital. Sadly, cancer services are still seeing an increase in referrals of patients with less than six months to live, with increasing numbers of younger patients with young children, for whom benefit advice and Legacare services are vital.

The monies donated by CHoICE were and will continue to be used to fund a number of major medical equipment purchases.

A project to install some fundraising contactless donation points, to be trialled at Sunderland Royal Hospital and South Tyneside District Hospital sites is being taken forward. Donors will be able make a donation by debit or credit card. The initiative was halted because of Covid19 restrictions and the departure of the Fundraising Officer.

Significant schemes approved by the CFC in 2020/21 and 2021/22 which are crystallising in 2022/23 include:

- Cancer MDT IT video conferencing facilities at SRH and STDH - £108k
- Cardiac MRI – new service – equipment - £99k
- FDR nano mobile X ray unit for Neo Natal unit (from fundraising grant) - £70k
- Mouth Care practitioners 1.4wte 12 month pilot – Speech and Language Therapy - £70k
- Anterion segment Optical Coherence Tomography - £59k
- Cardiopulmonary testing exercise equipment - £35k
- Diathermy machine for Urology Treatment Centre - £17k

The fund balances carried forward to 2021/22 will continue to be used to enhance services and resources for the provision of healthcare by South Tyneside and Sunderland NHS Foundation Trust. In line with the legal requirement to provide and demonstrate wide ranging patient benefit, the most effective use of our Charitable Funds will continue to be monitored by the CFC.

To view the Charity's current and previous Trustee Annual Report and Financial Statements and for further information on areas such as Charities Act updates, Public Benefit Guidance and Good Governance please visit www.charitycommission.gov.uk.

By Order of the Trustee

Signed.....(Executive Director)

Dated.....26th January 2023.....

Statement of Trustee responsibilities

The Trustee 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).

The law applicable to charities in England and Wales requires the 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 Trustee is required to:

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

The Trustee is 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.

On behalf of the Trustee
Signed:

Director ..... Date 26 JANUARY 2023

Director ..... Date 26 January 2023

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF CITY HOSPITALS SUNDERLAND NHS FOUNDATION TRUST CHARITABLE FUNDS

Opinion

We have audited the financial statements of South Tyneside and Sunderland NHS Foundation Trust Charitable Funds for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cashflow and the related notes 1 to 14, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is 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".

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2022 and of its net income and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 below. 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 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 trustees' 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 to 31 January 2024.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the trustee's ability to continue as a going concern.

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 trustees are responsible for the other information contained in 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.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF CITY HOSPITALS SUNDERLAND NHS FOUNDATION TRUST CHARITABLE FUNDS (CONTINUED)

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 in 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 the other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the 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.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 23, the trustees are 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 trustees determine 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 trustees are 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 management either intends to liquidate the charity or to cease operations, or has no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF CITY HOSPITALS SUNDERLAND NHS FOUNDATION TRUST CHARITABLE FUNDS (CONTINUED)

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 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 as a whole 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 on the basis of these financial statements.

Explanation as to what extent 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 irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the charity and determined that the most significant are the Charities Act 2011 and Financial Reporting Standards FRS102.
- We understood how South Tyneside and Sunderland NHS Foundation Trust Charitable Funds is complying with those frameworks by understanding the incentive, opportunities and motives for non-compliance, including inquiring of management and those charged with governance and obtaining and reviewing documentation relating to the procedures in place to identify, evaluate and comply with laws and regulations, and whether they are aware of instances of non-compliance. We corroborated this through our review of the charity's board minutes and through enquiry of employees to verify charity policies and other information. Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures had a focus on compliance with the accounting framework through obtaining sufficient audit evidence in line with the level of risk identified and with relevant legislation.

- We assessed the susceptibility of the charity's financial statements to material misstatement, including how fraud might occur by understanding the potential incentives and pressures for management to manipulate the financial statements, and performed procedures to understand the areas in which this would most likely arise. Based on our risk assessment procedures, we identified manipulation of reported financial performance (through inappropriate recognition of revenue) and management override of control to be our fraud risks.

- Our fraud risk on revenue recognition was specifically focused on inappropriate reognition of donations and legacies income in the period leading up the year end. We used a lower testing threshold when selecting our sample and tested each item to supporting documentation to confirm whether it had been appropriately recognised in the financial statements.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF CITY HOSPITALS SUNDERLAND NHS FOUNDATION TRUST CHARITABLE FUNDS (CONTINUED)

- To address the fraud risk arising from management override of controls, we tested specific journal entries identified by applying risk criteria to the entire population of journals. For these transactions we tested back to source documentation to confirm that the journals were authorised and accounted for appropriately. We also tested all individually material transactions to identify any significant unusual transactions or transactions outside the normal course of business.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report

Use of our report

This report is made solely to the Trustees, 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 trustees those matters we are required to state to them in an auditors' 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Ernst & Young LLP
Statutory Auditor
Newcastle Upon Tyne

Date 27 January 2023

Ernst & Young LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

SOUTH TYNESIDE AND SUNDERLAND NHS FOUNDATION TRUST CHARITABLE FUNDS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

FOREWORD

These financial statements have been prepared by the Trustee under Part 8 of the Charities Act 2011, and in accordance with the Charities Statement of Recommended Practice (FRS102).

STATUTORY BACKGROUND

For the Financial Year 2021/2022 South Tyneside and Sunderland NHS Foundation Trust (STSFT) was the Corporate Trustee of the Charitable Funds. STSFT was established on 1 April 2019.

The South Tyneside and Sunderland NHS Foundation Trust Charitable Funds are registered with the Charity Commission (registered number 1052366) and include funds in respect of services at the Sunderland Royal Hospital, Sunderland Eye Infirmary, South Tyneside District Hospital, as well as some Community services and services located at the Children's Centre, Sunderland. Prior to 1 April 2020 charity number 1052366 was registered as City Hospitals Sunderland NHS Foundation Trust Charitable Funds. The registered charity South Tyneside Trust General Charitable Fund, registered charity number 1059500, whose Corporate Trustee is also South Tyneside and Sunderland NHS Foundation Trust, merged with the registration number 1052366 on 1 April 2020. At the time of signing, the Charity Commission is yet to reflect the merger of charity number 1059500 on its website.

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.

MAIN PURPOSE OF THE CHARITABLE FUNDS

The main purpose of the Charitable Funds is to apply income for any charitable purpose relating to the National Health Service, for the services provided by STSFT.

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	**Total 2022 Funds £000**	Total 2021 Funds £000
Income from:						
Donations & Legacies	2	2,348	1	0	**2,349**	1,567
Grants	2.4	0	70	0	**70**	258
Charitable Activities	3	92	0	0	**92**	69
Other Trading Activities	4	6	0	0	**6**	6
Investments	9.3	77	4	0	**81**	83
Total Income		2,523	75	0	**2,598**	1,983
Expenditure on:						
Raising Funds	5	(58)	(1)	0	**(59)**	(24)
Charitable Activities	6	(1,121)	(72)	0	**(1,193)**	(824)
Total Expenditure	7	(1,179)	(73)	0	**(1,252)**	(848)
Net Gain on investments	9.1	79	8	0	**87**	412
Net Income / (Expenditure)		**1,423**	**10**	**0**	**1,433**	**1,547**
Transfer between funds		0	0	0	**0**	0
Net movement in funds		**1,423**	**10**	**0**	**1,433**	**1,547**
Reconciliation of Funds:						
Total funds brought forward		6,796	167	159	**7,122**	5,575
Total funds carried forward	**13**	**8,219**	**177**	**159**	**8,555**	7,122

All results derive from continuing operations.
All gains and losses recognised in the year are included in the above.
There is no material difference between the net incoming resources stated above and their historical cost equivalents.

BALANCE SHEET AS AT 31 MARCH 2022

	Notes	Unrestricted Funds	Restricted Funds	Endowment Funds	**Total 2022 Funds**	Total 2021 Funds
		£000	£000	£000	**£000**	£000
Non current assets						
Investments	9.1,9.2	3,648	142	0	**3,790**	3,713
Total non-current assets		3,648	142	0	**3,790**	3,713
Current assets						
Trade and other receivables	10	35	0	0	**35**	27
Cash and cash equivalents	11	5,109	105	159	**5,373**	3,531
Total current assets		5,144	105	159	**5,408**	3,558
Current liabilities						
Trade and other payables	12	(573)	(70)	0	**(643)**	(149)
Net current assets		4,571	35	159	**4,765**	3,409
Total net assets		**8,219**	**177**	**159**	**8,555**	7,122
Retained funds of the Charity						
Endowment Funds	13.1	0	0	159	**159**	159
Restricted Income Funds	13.3	0	177	0	**177**	167
Unrestricted Income Funds	13.5	8,219	0	0	**8,219**	6,796
Total retained funds of the Charity		**8,219**	**177**	**159**	**8,555**	7,122

The financial statements on pages 29 to 45 were approved by order of the Trustee on 26 January 2023 and signed on its behalf by:

KW Bremner
Chief Executive, South Tyneside and Sunderland NHS Foundation Trust, Corporate Trustee

STATEMENT OF CASHFLOW

	Year Ended 31 March 22 £'000s	(Restated) Year Ended 31 March 21 £'000s
Net income and expenditure for the reporting period	1,433	1,547
(Increase)/Decrease in current debtors	(8)	5
Investment income received	(81)	(83)
Net Gain on investments revaluation	(87)	(412)
Increase / (Decrease) in current creditors	494	(598)
Net cash inflow/(outflow) from operating activities	**1,751**	**459**
Disposal at sale proceeds values	219	677
Acquisitions at cost	(209)	(716)
Investment income received	81	83
Net cash inflow/(outflow) from investment activities	**91**	**44**
Net cash inflow/(outflow) cash and cash equivalents	**1,842**	**503**
Cash and cash equivalents at beginning of the period	3,531	3,028
Cash and cash equivalents at end of the period	**5,373**	**3,531**

The Statement of Cashflow ending 31 March 2021 has been restated to present investment income of £83,000 as an investing cash flow rather than presented as an operating cash flow as it was disclosed in error in the prior year. The net cash inflow from investing activities has been reduced by £83,000 from £542,000 to £459,000 and the net cash outflow from investing activities has been reduced by £83,000 from £39,000 to a net cash inflow of £91,000.

NOTES TO THE FINANCIAL STATEMENTS

1 Accounting Policies

1.1 Basis of preparation

These financial statements have been prepared under the historical cost convention as modified by the inclusion of investments at market value, in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective from 1 January 2015) – Charities SORP (FRS 102), the Companies Act 2006 and the Charities Act 2011.

The principle accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

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

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

The uncertain economic outlook and the variability in income from donations and legacies year-to-year represents a significant area of financial uncertainty for the Charity. The Charity mitigates this risk through maintaining diversity in its income streams and upholding expenditure authorisation controls to prevent over-commitment of funds. Therefore, this is not anticipated to represent a risk to going concern.

A significant area of uncertainty that affects the carrying value of assets held by the Charity is the performance of investment markets. The performance of the Investment Broker is reviewed as a minimum on a quarterly basis by the Trustee.

The Charity's functional and presentational currency is the pound sterling.

1.2 Structure of funds

Where there is a legal restriction on the purpose to which a fund may be put, the fund is classified either as:
- A restricted fund; or
- an endowment fund.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor. Where the restriction requires the gift to be invested to produce income but the Trustee has the power to spend the capital, it is classed as expendable endowment.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor. Where the restriction requires the gift to be invested to produce income but the Trustee has the power to spend the capital, it is classed as expendable endowment.

Endowments are held as expendable endowments unless there is a specific term in the bequest stating the capital element should be held in perpetuity. Under such bequests, the capital value will be maintained, income generated by capital in perpetuity can be spent.

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

The major funds held in each of these categories are disclosed in note 13.

1.3 Income

a) Donations, staff lottery, royalties, investment income, course and conference fees:

All income is included in full in the Statement of Financial Activities as soon as the following three factors can be met:

(i) entitlement – arises when income is receivable or the Charity's right becomes legally enforceable;

(ii) probable – when it is more likely than not that the income will be received; and

(iii) measurement – when the monetary value of the income can be measured with sufficient reliability and the costs incurred for the transaction can be measured reliably.

Where there are terms and conditions attached to income, particularly grants, then these terms or conditions must be met before the income is recognised as the entitlement condition will not be met until that point. Where terms or conditions have not been met or uncertainty exists as to whether they can be met then the relevant income is not recognised in the year but deferred and shown on the balance sheet as deferred income.

Income, except for investment income, is allocated to a fund in accordance with the donor's/payer's intention. Investment income is held in suspense funds prior to being apportioned, except for dividends and interest received from two of the portfolios which are allocated direct to funds.

b) Legacies:

Legacies are accounted for as income once the receipt of the legacy becomes probable or is within the control of the Charity. 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.

Legacies are allocated to a fund servicing the area of benefit as defined in the bequestor's Will.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1 Accounting Policies (continued)

1.3 Income (continued)

c) Staff Lottery:
Income is recorded net of the cost of prizes. The Lottery policy states that 50% of proceeds are allocated in prize monies, therefore only income available to the Charity is recorded in the financial statements.

d) Investment income apportionment:
Common deposit fund interest (COIF) relating to the former CHS charity is apportioned over the former CHS endowment funds and all of the restricted funds using the average balance on the fund; any surplus is apportioned to all unrestricted funds. The former ST COIF is apportioned over all funds using the average balance of the fund excluding the former CHS endowment fund.

Traded fixed asset investments dividends and interest result from three portfolios:

The main portfolio relates to unrestricted funds and is apportioned at the same time as the support costs apportionment, on the basis of the fund average balance as a proportion of the total fund average balances.

The second portfolio relates to one restricted fund and income is allocated direct to the fund.

The third portfolio relates to one unrestricted fund and income is allocated direct to the fund.

Income from Fixed Interest holdings is apportioned over all unrestricted funds and ST restricted and endowment funds.

1.4 Transfer of Funds

Common deposit fund interest apportioned over endowment funds is transferred to respective restricted funds at the same time as the support cost apportionment. See notes 13.1 and 13.3.

1.5 Liabilities

All expenditure is recognised once there is a known legal or constructive obligation to make a payment to a third party. Liabilities have been recorded at settlement value.

1.6 Expenditure expended

The Charitable Funds' financial statements are prepared in accordance with the accruals concept.

a) Costs of generating funds:

The costs of generating funds are the costs associated with generating income for the Charitable Funds. The costs incurred relate to operating the staff lottery, investment portfolio management fees and pay and non-pay relating to the Charity fundraiser working within the Corporate Affairs department. In 2021/22 the Charity Fundraiser was no longer seconded to the Trust Covid effort, but did leave te Trust in December 2021.

b) Costs of Charitable Activities – Support Costs:

These are accounted for on an accruals basis and include recharges of appropriate proportions of the salary costs from South Tyneside and Sunderland NHS Foundation Trust of 1.07 whole time equivalent post. There are no staff directly employed by the Charity. Bank charges relating to the operation of the Charity's non-exchequer bank accounts are included, as well as software licence and maintenance fees charged by the suppliers of the Charitable Funds database systems.

Support costs are inclusive of Governance costs – see (d).

Support costs are allocated across all funds at the year end on the basis of the fund average balance as a proportion of the total fund average balances. A new database was installed in March 2021

c) Costs of Charitable Activities – Research Activities:

Research via Charitable Funds must comply with any requirements contained in the Charities Act, and also Charity Commission guidelines. In addition, South Tyneside and Sunderland NHS Fundation Trust has a research policy, ratified by the Trust via its Research and Development Steering Group, which involves vetting and approval by the Trust's Scientific Review Committee and externally by an approved Research Ethics Committee. Charitable constraints mean that only a select few projects would meet charitable criteria.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1 Accounting Policies (continued)

1.6 Expenditure (continued)

d) Governance costs:

This includes only those costs attributable to generating the information required for public accountability (i.e. financial statements and Trustee Annual Report preparation).

The costs include an appropriate proportion of salary costs relating to the Charitable Funds Administrator and review costs by the Capital Accountant, recharged from South Tyneside and Sunderland NHS Foundation Trust at 0.04 whole time equivalent.

The fee for the annual external audit is accrued within this category.

1.7 Fixed Assets

The Charity does not hold any fixed assets.

Any purchases of goods which satisfy the fixed asset criteria are gifted to South Tyneside and Sunderland NHS Foundation Trust under "Contribution to NHS" – see notes 6.1 and 14.2. These are then accounted for within the STSFT balance sheet under Donated Fixed Assets.

1.8 Cash and cash equivalents

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

1.9 Investments

All investments are held to provide an investment return for the Charity.

Traded investment non-current assets are shown at market value as at the balance sheet date. The valuation of listed investments is based on mid-market prices and is obtained from the Charity's investment broker Rathbone Investment Management Limited. The value of the Fixed Interest Fund holding with the CCLA is shown at mid market value as at the balance sheet date.

The value of unlisted investments is obtained by Rathbone Investment Management Limited from trading brokers.

Investments comprise a mix of UK Government Gilts, fixed interest bearing shares and bonds, FTSE 100 and 250 quoted stocks, overseas equities and a number of Alternative Assets including hedge funds, commodities and property trusts.

As per Charity Commission guidelines, no one investment on average comprises more than 5% of the total portfolio value. Some investment assets came to the Charity by way of bequests

All traded investment business is handled on a discretionary basis by the broker, who acts as a Nominee. The Trustee believes that the carrying value of the investment is supported by their underlying net assets.

1.10 Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise.

Realised gains and losses on investments are calculated as the difference between sales proceeds and book value. An adjustment is made for previous unrealised gains being the difference between the previous year end market value and the book value.

It should be noted that under the arrangement with the investment broker, the cash proceeds from disposals and non-dividend income are held by the broker in a Capital Account pending reinvestment.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1 Accounting Policies (continued)

1.10 Realised gains and losses - continued

Unrealised gains and losses are calculated as the difference between the market value at the year end and opening market value (or date of purchase if later).

The above applies to the current and prior financial year.

1.11 Charity merger

On 1 April 2020, City Hospitals Sunderland Charitable Funds merged with South Tyneside General Charitable Fund (reg no 1059500) to become South Tyneside and Sunderland NHS Foundation Trust Charitable Funds, (working name STS Charity), registration number 1052366. Also see Foreword page 25 for more detail.

1.12 Reserves Policy

The Charity Commission notes that Trustees "should" rather than "must" have a policy, and notes having a reserves policy will help Trustees comply with their legal duty which includes:

- Acting in the interests of their charity and its beneficiaries;
- protecting and safeguarding the assets of their charity; and
- acting with reasonable care and skill to ensure their charity is accountable.

In practice this means the reserves policy should:

- Fully justify and clearly explain the reason for keeping or not keeping reserves;
- identify a plan for the maintenance of essential services for beneficiaries;
- reflect the risks of unplanned closure associated with the charity's business model, spending commitments, potential liabilities and financial forecasts; and
- help to address the risks of unplanned closure on their beneficiaries (in particular, vulnerable beneficiaries), staff and volunteers.

Given that both restricted funds and endowments already have an accounting framework in place to ensure they are managed appropriately, this policy will apply to the unrestricted funds; the restricted funds will be managed in line with the donor's restrictions.

Noting the above, South Tyneside and Sunderland NHS Charitable Funds will ensure it holds sufficient cash reserves to:

1. Meet all outstanding agreed commitments at any one point in time;
2. Retain sufficient funds to meet 18 months of annual operational costs at any one point including funding the following roles:
   a. Fund Raising Officers
   b. Charitable Funds Accountant and assistant.
   c. Cost of third party system support such as the finance database.
3. Retain a cash balance of between £0.500m and £1.000m at any one point in time to ensure working capital commitments can be managed including covering the cost of purchasing medical equipment and agreed salaries.

Any remaining funds will be managed in line with the investment management policy using the nominated investment broker in contract at the time.

Where fund balances are considered higher than may be expected the Trustees will seek to obtain strategic spend plans from the Foundation Trust, these however, will take into account operational commitments at the time which may mean funds are indeed retained until an appropriate point in time is reached where for example capital investments could be made to a ward or other operational area.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1 Accounting Policies (continued)

1.13 Prior year adjustments

There has been no change to the financial statements of prior years other than reflecting the merger of City Hosptials Sunderland NHS Charitable Funds and South Tyneside NHS Charitable Funds.

1.14 Exemption from Corporation Tax

South Tyneside and Sunderland NHS Charitable Funds is a registered Charity, subject to the taxation reliefs applicable to charities. All income is applied in furtherance of the objectives of the Charity, it is exempt from

1.15 Financial instruments

Financial assets and financial liabilities are recognised when the Charity becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a finance transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

The Charity only holds financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

1.16 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Charity's accounting policies, which are described in notes 1.1 to 1.13, the Trustee is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The Trustee does not consider there are any critical judgements or sources of estimation uncertainty requiring disclosure beyond the accounting policies listed above.

1.17 Covid19 and Ukraine conflict

The United Kingdom national lockdown took effect on 23 March 2020 and the effects of Covid19 did not have a lasting discernible impact on the charity. The value of investments held by the charity, managed by the nominee Rathbone Investment Management, had recovered from any initial losses from when the pandemic struck. The conflict in the Ukraine has had a more marked impact on traded investment values, with values falling during 2021/22. However , in the first quarter of 2022/23, values have recovered significantly so that the portfolio values have only dropped by 1% overall, thanks in part to the selective trading decisions taken by investment broker.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Income from donations & legacies 2

2.1 Donations

	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	**Total 2022 Funds £000**	Total 2021 Funds £000
Donations from individuals	213	1	0	**214**	162
Donations from charities	4	0	0	**4**	24
Corporate donations	2,016	0	0	**2,016**	1,265
Non corporate donations	12	0	0	**12**	6
	2,245	**1**	**0**	**2,246**	1,457

Analysis of donations from individuals

	£000 received		**Number of deposits**	
	2022	2021	**2022**	2021
Individuals giving > £1k	78	38	26	16
Individuals giving > £100	78	67	249	211
Fundraising - voluntary (not via STSFT)	50	21	14	50
Other	8	36	200	363
Totals	**214**	162	**489**	640

2.2 Legacies

	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	**Total 2022 Funds £000**	Total 2021 Funds £000
Rehab and Elderly Medicine	0	0	0	**0**	40
Medical Specialties	100	0	0	**100**	42
Ophthalmology	3	0	0	**3**	22
CardioThoracic Medicine	0	0	0	**0**	4
General Purposes	0	0	0	**0**	2
	103	**0**	**0**	103	**110**

In total 6 legacies were received during 2021/22, of which 2 are residuary sums received re prior years (2021/22: 10).

2.3 Total donations and legacies	**2,348**	**1**	**0**	**2,349**	1,567

2.4 Grants

	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	**Total 2022 Funds £000**	Total 2021 Funds £000
Grants from Charities					
Red Sky Foundation	0	70	0	**70**	0
NHS CT - NHS Charities Together	0	0	0	**0**	198
CHSA - Covid19 Healthcare Support Appeal	0	0	0	**0**	60
	0	**0**	**0**	**70**	**258**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Income from charitable activities 3

	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	**Total 2022 Funds £000**	Total 2021 Funds £000
Course and conference fees	**92**	**0**	**0**	**92**	69

8 different course types were held (2021/22 : 6).

Income from other trading activities 4

	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	**Total 2022 Funds £000**	Total 2021 Funds £000
Staff lottery	6	0	0	**6**	6
	6	**0**	**0**	**6**	6

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Details of Fundraising expenditure 5

	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	**Total 2022 Funds £000**	Total 2021 Funds £000
Bought-in services from NHS	(35)	0	0	**(35)**	(2)
Investment Broker fee	(19)	(1)	0	**(20)**	(19)
Corporate Fundraising non pay	(4)	0	0	**(4)**	(3)
	(58)	**(1)**	**0**	**(59)**	(24)

All traded investment business covering all funds is handled by the Charity's investment broker, Rathbone Investment Management Ltd.

Bought-in services relate to salary recharges from STSFT in respect of managing the staff lottery £2k (0.09 wte- whole tim equivalent) and the corporate charity fundraiser post £33k (0.75wte - leaver end December 2021).

Details of Charitable activities expenditure 6

6.1 Cost of Charitable Activities

	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	**Total 2022 Funds £000**	Total 2021 Funds £000
Patients' welfare and amenities	(238)	0	0	**(238)**	(231)
Course and conference costs	(65)	0	0	**(65)**	(39)
Contributions to NHS	(574)	(72)	0	**(646)**	(464)
Staff welfare and amenities	(176)	0	0	**(176)**	(41)
Support and governance costs	(68)	0	0	**(68)**	(49)
	(1,121)	(72)	0	**(1,193)**	(824)

Analysis of support costs expenditure 6.2

Support and governance cost	Staff / Patient Welfare and Amenities £000	Course and Conference Costs £000	Governance Costs £000	Research £000	**Total 2022 Funds £000**	Total 2021 Funds £000
Unrestricted	(42)	(6)	(19)	0	**(67)**	(49)
Restricted	0	0	(1)	0	**(1)**	0
	(42)	(6)	(20)	0	**(68)**	(49)

Support costs mainly relate to pay in respect of 1.07 whole time equivalent (wte) staff costs of which 0.04 wte was transferred to Governance in connection with the preparation of the statutory Annual Financial Statements and Trustee Annual Report. There are no staff employed directly by the charity therefore there have been no pension contributions made in the year. Non pay costs include bank charges and licence fees associated with the Charitable Funds database.In 2021/22 the internal audit charge was £3770. Governance costs include the statutory annual audit by Ernst&Young for 21/22 total £14275 exclusive of VAT (2020/21 £17,130) and an element of support costs detailed above.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Analysis of total expenditure 7

	Costs of Fundraising £000	Investment Management Costs £000	Costs of Charitable Activities £000	Governance Costs £000	**Total 2022 £000**	Total 2021 £000
Other	(4)	0	(896)	0	**(900)**	(650)
Bought-in services from NHS	(35)	0	(273)	(3)	**(311)**	(163)
Investment Broker fee	0	(20)	0	0	**(20)**	(18)
Audit fees - internal audit provision	0	0	(4)	0	**(4)**	0
Audit fees - external statutory audit provision	0	0	0	(17)	**(17)**	(17)
	(39)	**(20)**	**(1,173)**	**(20)**	**(1,252)**	(848)

Grants made to institutions and individuals 8 During the year, the Charity made no grants to individuals or other institutions but funding was provided to STSFT for the benefit of patients, staff which could not be funded out of NHS operating expenses.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Analysis of non current asset investments

9 Traded Non Current Asset Investments:

	2022 Total £000	2021 Total £000
Managed Portfolios		
Market value at 1 April	**2,570**	2,104
Less: Disposals at Sales Proceeds values	**(219)**	(677)
Add: Acquisitions at cost	**209**	716
Net unrealised and realised gain / (loss) on sale and revaluation	**169**	427
Market value at 31 March	**2,729**	2,570
Fixed Interest Fund Holding		
Market value at 1 April	**1,143**	1,158
Less: Disposals at Sales Proceeds values	**0**	0
Add: Acquisitions at cost	**0**	0
Net unrealised and realised gain / (loss) on sale and revaluation	**(82)**	(15)
Market value at 31 March	**1,061**	1,143
Total non current asset investments	**3,790**	3,713
Historic cost at 31 March-Managed Portfolios and Fixed Interest Holding	**4,221**	4,139

9.2 Traded Non Current Asset Investments:

	31 March 2022 Total £000	31 March 2021 Total £000
Investments listed on a recognised Stock Exchange:		
In the UK	2,045	2,091
Outside the UK	183	60
Unlisted securities:		
In the UK	1,050	1,041
Outside the UK	512	521
Total	**3,790**	3,713

Analysis of gross income from investments

9.3 Total gross income:

	2022 Total £000	2021 Total £000
Investments listed on a recognised Stock Exchange:		
In the UK	62	65
Outside the UK	0	0
Unlisted securities:		
In the UK	11	11
Outside the UK	8	6
Investments in a Common Deposit Fund	0	1
Current account / short term interest	0	0
Total	**81**	83

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Analysis of Trade and other Receivables 10

Amounts falling due within one year:	31 March 2022 £000	31 March 2021 £000
Trade receivables	9	11
Amounts due from STSFT	1	1
Prepayments and accrued income	25	15
Total receivables falling due within one year	35	27

Analysis of Cash and Cash Equivalents 11

Cash and cash equivalents	31 March 2022 £000	31 March 2021 £000
Cash at commercial bank and GBS	4,849	2,997
Notice Deposits (less than 3 months)	463	463
Cash held in dealing account with Investment Broker	61	71
Total cash and cash equivalents	5,373	3,531

Analysis of Trade and other Payables 12

Amounts falling due within one year:	31 March 2022 £000	31 March 2021 £000
Amounts due to STSFT	(583)	(85)
Trade payables	(49)	(30)
Accruals and deferred income	(11)	(34)
Total payables falling due within one year	(643)	(149)

Analysis of Funds 13

13.1 Endowment Funds

Details of material funds - Endowment Funds

	Balance 1 April 2022 £000	Income £000	Expenditure £000	Transfers £000	Gains on Disposals £000	Gains on Revaluations £000	**Balance 31 March 2022 £000**
Fund 1910 Legacy	157	0	**0**	0	0	0	**157**
Fund 1900 Legacy	2	0	**0**	0	0	0	**2**
Funds1920-1940 Gifts	1	0	**0**	0	0	0	**1**
Total	**159**	**0**	**0**	**0**	**0**	**0**	**159**

13.2 Description of funds

Fund 1910 Legacy	-	Capital in Perpetuity to purchase equipment at Sunderland Eye Infirmary.
Fund 1900 Legacy	-	Capital in Perpetuity to place "in memoriam" flowers in the Chapel.
Fund 1920	-	to benefit the Library
Fund 1930 +1940	-	to benefit Nursing

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Analysis of Funds **13 (Continued)**

Details of material funds - Restricted Funds **13.3 Restricted Funds**

Material funds	Balance 1 April 2022 £000	Income £000	Expenditure £000	Transfers £000	Gains on Disposals £000	Gain on Revaluation £000	Balance 31 March 2022 £000
Leukaemia Research Legacy	97	5	(2)	0	2	5	107
Orthopaedics bequest	35	0	0	0	1	0	36
Neonatal Unit Legacy	13	0	0	0	0	0	13
Other designated funds	22	70	(71)	0	0	0	21
Total	**167**	**75**	**(73)**	**0**	**3**	**5**	**177**

13.4 Description of funds

Leukaemia Research Legacy	For leukaemia and lymphoma research.
Orthopaedics bequest	For the provision of an operating theatre bed specifically designed for people suffering from curvature of the spine
Neonatal Unit legacy	For South Tyneside neonates

Details of material funds - Unrestricted Funds **13.5 Unrestricted Funds**

Material funds	Balance 1 April 2022 £000	Income £000	Expenditure £000	Transfers £000	Net Gain on Disposals £000	Net Gain on Revaluation £000	Balance 31 March 2022 £000
Medical Equipment purposes	1618	2,021	(330)	0	24		**3,333**
NeoNatal Unit	315	82	(7)	0	4		**394**
COVID 19	536	6	(209)	0	6		**339**
Paediatric department	335	6	(7)	0	4		**338**
General Purposes	430	35	(153)	0	5		**317**
Rise Above Cancer	181	29	(42)	0	2		**170**
SRH ICCU	47	111	(1)	0	1		**158**
Glaucoma purposes	153	2	(10)	0	2		**147**
Maternity Unit	138	2	(2)	0	2		**140**
SRH Coronary Care	167	4	(99)	0	2		**74**
Phoenix Unit - Chemotherapy	111	17	1	0	2		**131**
Clinical Haematology	123	5	(11)	0	2		**119**
SEI General Purposes	104	10	(60)	0	3		**57**
Diabetes purposes Legacy	89	1	(1)	0	1		**90**
Renal purposes	74	14	(1)	0	1		**88**
SRH Ward D46 Stroke (prev E58,D41)	89	5	(8)	0	1		**87**
Pharmacy department	75	6	(1)	0	1		**81**
Orthopaedic Department	86	2	(16)	0	1		**73**
STDH Cardiology bequests	65	1	(1)	0	1		**66**
South Tyneside Community Planned Car	58	10	(3)	0	0		**65**
Staff Lottery	62	12	(11)	0	1		**64**
ENT/SALT purposes	61	1	(1)	0	1		**62**
ALS course - resuscitation	45	49	(33)	0	1		**62**
Elderly Medicine wards	75	1	(18)	0	1		**59**
SRH Cardiology	57	1	(1)	0	1		**58**
Gynaecology purposes	54	1	(3)	0	0		**52**
Thoracic Medicine	50	2	(1)	0	1		**52**
Other	1598	87	(150)	0	0	8	**1,543**
Total Unrestricted Funds	**6,796**	**2,523**	**(1,179)**	**0**	**71**	**8**	**8,219**

Transfers: During 2021/22 there were transfers from four Medical Director funds to the Trust General Purpose fund.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Details of material funds - Unrestricted Funds (continued)

13.6 Description of funds

Medical Equipment purposes (incl CHoICE donation)	-	Larger items of medical equipment funded from CHoICE donations.
NeoNatal Unit	-	Equipment and patient amenities for the Neonates service
COVID 19	-	Trustwide in accordance with the objects of the Charity and conditions set by NHS Charities Together (incl Captain Sir Tom Moore distributions).
Paediatric department	-	Equipment and patient amenities across Paediatrics
General Purposes	-	Trustwide in accordance with the objects of the Charity.
Rise Above Cancer formerly Cancer Support - Macmillan	-	Information, support and complimentary therapy treatment rooms on Sunderland Royal and South Tyneside District hospital sites
SRH ICCU	-	Purposes benefitting the Intensive Critical Care Unit
Glaucoma purposes	-	Incorporating the GRAD@S fund, for glaucoma service purposes including research and development
Maternity Unit	-	Equipment for the maternity unit and purposes in accordance with the objects of the Charity
SRH Coronary Care	-	Equipment, patient amenities, training within the Unit.
Phoenix Unit - Chemotherapy	-	Equipment and patient amenities within the Unit - relocated
Clinical Haematology (formerly called Blood Disorders)	-	Equipment, education and patient care in Clinical Haematology.
SEI General Purposes		For Eye Infirmary benefit in accordance with the objects of the Charity.
Diabetes purposes Legacy	-	For expenditure in accordance with the objects of the Charity.
Renal purposes	-	For expenditure in accordance with the objects of the Charity.
SRH Ward D46 Stroke (previously located on ward E58)	-	Equipment and patient amenities within the ward
Pharmacy department	-	Equipment, training and education within the department.
Orthopaedic Department	-	Equipment, training and education within the department.
STDH Cardiology bequests	-	For expenditure in accordance with the objects of the Charity.
South Tyneside Community Planned Care	-	For expenditure in accordance with the objects of the Charity.
Staff Lottery	-	Staff lottery draw - to benefit STSFT healthcare provision.
ENT/SALT purposes	-	For purposes including Head and Neck cancer services
ALS course - resuscitation	-	Advanced Life Support course delivery
Elderly Mediine Wards	-	For expenditure in accordance with the objects of the Charity.
SRH Cardiology	-	For expenditure in accordance with the objects of the Charity.
Gynaecology purposes	-	For expenditure in accordance with the objects of the Charity.
Thoracic Medicine	-	For expenditure in accordance with the objects of the Charity.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Trustee and Connected Persons Transactions **14**

14.1 Recharges from Corporate Trustee

STSFT, as Corporate Trustee of the Charity, incurred rechargeable expenditure on behalf of the Charity amounting to £946,017 (£790,403 2020/21). The rechargeable expenditure relates to the Charity's objectives, and represents the majority of the resources expended as shown in note 6.1.STSFT does not recharge any costs for services provided by its Directors.

An amount of £316,079 is included within payables for outstanding transactions not yet reimbursed. (£86,615 payable 2020/21).

14.2 Analysis of Contributions to NHS

The Charity provided the following capital donations to STSFT:

	2022	2021
	£000	£000
Equipment	646	381
Fixtures and Fittings	0	0
IT equipment	0	0
Buildings	0	83
	646	464

14.3 Trustee Indemnity Insurance

No indemnity insurance was provided to the Trustee in the year to 31st March 2022 (2020/21 Nil).

14.4 Related Party Transactions

The Charity has made revenue and capital donations to its Corporate Trustee, STSFT. The Corporate Trustee, which is the ultimate controlling party, consists solely of members of the Board of Directors who assume responsibility and accountability for the Charity.

During the year, none of the Directors or members of the key management staff or parties related to them has undertaken any private transactions with the South Tyneside and Sunderland NHS Foundation Trust Charitable Funds.

No member of the Board of Directors has been reimbursed "out of pocket" expenses by the Charity.

There were no loans or guarantees secured against assets of the Charity in the year to 31st March 2022 (2020/21 Nil).

The Charitable Funds received a donation of £2,000,000 (2020/21 £1,000,000) from City Hospitals Independent Commercial Enterprises Ltd (CHoICE), which is the subsidiary of STSFT.

The Charitable Funds did not place any non stock requisitions via CHoICE, but CHoICE did process minimal value stock items for Comfort Care/End of Life Care Packs £523, (2020/21: £83k building services)

Internal audit services are provided by AuditOne. David Barnes, Non - Executive Director is also Chairman of AuditOne.

Services provided to the Charity by AuditOne during the financial year 2021/22 were £3770 (20/21: nil).

14.5 Post Balance Sheet Event

There are no post balance sheet events

South Tyneside and Sunderland NHS Foundation Trust Charitable Funds

England & Wales - Charity number 1052366

Accounts

SOUTH TYNESIDE AND SUNDERLAND NHS FOUNDATION TRUST CHARITABLE FUNDS

TRUSTEE ANNUAL REPORT

FOR THE PERIOD 1 APRIL 2020 – 31 MARCH 2021

SOUTH TYNESIDE AND SUNDERLAND NHS FOUNDATION TRUST CHARITABLE FUNDS

TRUSTEE ANNUAL REPORT 2020/2021

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Reference and Administrative Details of the Charity

Registered Address – Charity and Corporate Trustee

South Tyneside and Sunderland NHS Foundation Trust
Sunderland Royal Hospital
Kayll Road
Sunderland
SR4 7TP

The Charity was first registered by the Charity Commission as number 1052366 under a Declaration of Trust dated 7 December 1995 in respect of the former City Hospitals Sunderland NHSFT Charitable Funds (CHS), as amended 24 March 2020 to include the merger with the former Charity South Tyneside General Charitable Fund (ST), registered number 1059500, effective from 1 April 2020. From the 1 April 2020 the merged charity name is South Tyneside and Sunderland NHSFT Charitable Funds.

The Charity's working name is 'STS Charity'.

The Charity's single Corporate Trustee (the Trustee) is South Tyneside and Sunderland NHS Foundation Trust (STSFT).

The Trust Board of Directors (BoD) holding office from April 2020 to January 2022 are:

Chairman	John Anderson
Chief Executive	Ken Bremner
Executive Directors	Shahid Wahid – Executive Medical Director Julia Pattison – Executive Director of Finance – to 31 March 2021 Hayley Wardle – Executive Director of Finance – from 1 April 2021 Melanie Johnson –- Executive Director of Nursing, Midwifery and Allied Health Professionals Peter Sutton – Executive Director of Planning and Business Development Kath Griffin – Executive Director of Human Resources and Organisational Development
Trust Secretary/Director	Andrea Hetherington – Director of Corporate Affairs and Legal/Trust Secretary/Freedom to Speak Up Guardian
Non-Executive Directors	Stewart Hindmarsh David Barnes Paul McEldon

Ngozi Lyn Cole – Chair of Charitable Funds Committee
Allison Thompson – Vice Chair
Alan Clarke
Debbie Carrick-Sen – from October 2020
Mike Laker – (non voting) to August 2020
Chris Gray – (non voting) from February 2021

Professional services are provided by:

Bankers

Lloyds Bank plc
54-55 Fawcett Street
Sunderland
SR1 1SE

NatWest bank plc
Government Banking services branch
1000 Cathedral Square
Cathedral Hill
Guildford
GU2 7YL

Investment brokers

Rathbone Investment Management Ltd
Earl Grey House
75-85 Grey Street
Newcastle upon Tyne
NE1 6EF

CCLA
Senator House
85 Queen Victoria Street
London
EC4V 4ET

Independent External Auditor

Ernst & Young LLP
2 St Peter's Square
Manchester
M2 3EY

Independent Internal Auditor

AuditOne
Kirkstone Villa
Lanchester Road Hospital
Durham
DH1 5RD

Governance, Management and Structure

Whilst all Charities in the NHS must operate within the legal and regulatory framework laid down in the Charities Acts (plus any directions issued by the Secretary of State for Health), a Corporate Trustee has considerable discretion in determining how on a daily basis, the charity operates.

When the BoD is acting in the capacity of Corporate Trustee, there must be recognition that:

1. Charitable Funds are distinct from the exchequer funds provided by Government; and
2. In acting as Corporate Trustee the BoD has a separate and distinct responsibility for the administration of the Charitable Funds.

A Corporate Trustee cannot delegate its statutory duties and remains accountable for the Charity's performance but day to day management, can be delegated.

To this end the Charitable Funds Committee (CFC) established on 1st April 2010 continues to oversee the administration of the Charitable Funds in accordance with any statutory or other legal requirements or best practice required by the Charities Commission.

CFC Terms of Reference – as updated August 2021

Membership

Voting members:

2 Non-Executive Directors (one of whom is chair of the CFC)
2 Directors
- Executive Director of Finance
- Executive Director of Nursing, Midwifery and AHPs (Allied Health Professionals)

2 Public Governors

In attendance by invitation:

Director of Corporate Affairs and Legal/Trust Secretary/Freedom to Speak Up Guardian
Head of Financial Services
Charitable Fundraiser (part of Corporate Affairs function)
External Audit for the presentation of the Accounts
Any others as required by the Committee

Quorum:

Minimum two members, who must include an Executive and Non-Executive Director.

Voting members during the period April 2020 to January 2022:

Ngozi Lyn Cole	-	Chair
David Barnes	-	Non-Executive Director
Julia Pattison	-	Executive Director of Finance to 31 March 2021
Hayley Wardle	-	Executive Director of Finance from 1 April 2021
Melanie Johnson	-	Executive Director of Nursing, Midwifery and AHPs
Anita Hagon	-	Sunderland Public Constituency to 30 June 2021
Karen White	-	South Tyneside Public Constituency
Joyce Welsh	-	South Tyneside Public Constituency from1 October 2021

CFC Duties

1 To ensure charitable funds are grouped in such a way that the wishes of the donors and the needs of the service are optimised.

2 To plan expenditure of charitable funds annually in accordance with Board policy.

3 To make recommendations to the Board of Trustees on issues of policy, investment and strategy.

4 To review and approve any formal income generation schemes as they arise over £5,000.

5 To authorise or decline expenditure which has exceeded delegated limits of individual officers to ensure the duties of Trustees are adequately discharged.

6 To oversee and monitor the functions and responsibilities performed by the Director of Finance as defined in the Standing Financial Instructions.

7 To monitor the use of charitable funds across the organisation, ensuring the scheme of delegation is applied appropriately and funds are utilised for the correct purposes.

8 To monitor the scheme of delegation within agreed limits.

9 To receive regular feedback on signed off commitments above £5,000, and approve any expenditure above £20,000. (Expenditure in excess of £200,000 requires formal BoD approval as Corporate Trustee).

10 To ensure adherence to the Trust's Standards of Business Conduct for the ordering and receiving of goods and services.

11 Ensure the Board of Trustees is kept up to date with all matters relevant to their role.

12 The CFC is empowered with responsibility:

- For the 'day to day' management of the investments of the Charitable Funds in accordance with the investment strategy set down annually by the Corporate Trustee;
- To oversee and approve the work of the Fundraising Strategy, setting the ambition over the medium and long term. To liaise with donors and voluntary organisations to ensure wherever possible the assets donated are those most needed by the Trust,
- To review fund balances to ensure active management and utilisation of these funds,
- To ensure that procedures for Charitable Funds Investment decisions are made which preserves their capital value and produces a maximised return from prudent investment,
- To ensure the appropriate risk registers and associated action plans are in place across the organisation for all risks relating to Charitable Funds,
- To ensure that the Investment Strategy is reviewed annually and approve any amendments as required,
- For the appointment of an Investment Manager to advise on investment matters and delegation of the 'day to day' management of some or all of the investments to the Investment Manager, in line with SFIs and Charities Commission requirements where relevant.
- The Committee will review and present the Charitable Fund Report and Accounts to the Board of Trustees

Conduct of Business

1 Meetings are held on a bi-monthly basis, a minimum of five meetings per year with notice of each meeting together with an agenda and papers being made available to each member no later than five clear days before the meeting.

2 The Executive Administrative Team shall provide administrative support to the Committee and maintain a schedule of matters arising and agreed actions.

Reporting and Review

1 The minutes of the Charitable Funds Committee meetings shall be formally recorded and submitted to the Board of Trustees. The Chair of the Committee will report to the Board of Trustees following each meeting on any issues for escalation.

.2 The Committee will review its Terms of Reference and its effectiveness against the requirements of its Terms of Reference on an annual basis, and report the findings to the Board of Trustees.

In May 2018 the General Data Protection Regulation (GDPR) came in to force. Under this legislation, any personal data held (e.g. names of living or deceased persons) cannot be disclosed in this Annual Report unless the person has been informed and given consent. Some of the restricted funds held by the Charity were set up under the name of the bequestor. In these circumstances these personal names are not being disclosed in the Financial Statements and Trustee Annual Report (TAR).

The Charity is registered as an Umbrella Charity. Within the one registration, multiple funds are permitted, four of which are registered with the Charity Commission as 'Special Purpose Funds'. The Special Purpose restricted funds are:

- Fund 2470 (formerly 24710) - Two Bequests for the benefit of the Eye Infirmary (one of which has a small portfolio managed by Rathbone Investment Management).
- Fund 4280 (formerly 43710) - Legacy for the benefit of Paediatric physiotherapy and assessment services located at the Children's Centre.
- Fund 9245 (formerly 74910) - Bequest for the provision of flowers in the chapel on specified dates. Income was received as an Endowment.
- Fund 3345 (formerly 33920) - Leukaemia and Lymphoma Research Fund from a legacy which has a small portfolio managed by Rathbone Investment Management.

The Annual Report and Annual Financial Statements have been prepared to comply with the requirements of FRS102 (Financial Reporting Standard 102), the Charities FRS102 SORP (Statement of Recommended Practice), the Companies Act 2006 and the Charities Act 2011.

The Trustee has had regard to Charity Commission guidance on public benefit in section 4 of Part 1 of the Charities Act 2011.

The information in the Charity's Annual Report regarding its activities and achievements is structured to allow the reader to see how the information sits with the Charity Commission aspects of Public Benefit Reporting and adds some detail to the financial data in the Financial Statements on pages 29 – 46.

The Charity Commission has set out the following guidance relating to the two aspects of public benefit:

The 'benefit aspect'

The 'benefit aspect' of public benefit is about whether the purpose is beneficial

Legal requirement: to satisfy the 'benefit aspect' of public benefit:

- a purpose must be beneficial - this must be in a way that is identifiable and capable of being proved by evidence where necessary and which is not based on personal views; and
- any detriment or harm that results from the purpose (to people, property or the environment) must not outweigh the benefit - this is also based on evidence and not on personal views.

The 'public aspect'

The 'public aspect' of public benefit is about whom the purpose benefits

Legal requirement: to satisfy the 'public aspect' of public benefit the purpose must:

- benefit the public in general, or a sufficient section of the public - what is a 'sufficient section of the public' varies from purpose to purpose; and
- not give rise to more than incidental personal benefit - personal benefit is 'incidental' where (having regard both to its nature and to its amount) it is a necessary result or by-product of carrying out the purpose.

The main purpose of the Charitable Funds, as contained in the Charity's Trust Deed 'object' clause is to 'apply income for any charitable purpose relating to the National Health Service' in practice this is wholly or mainly for the services provided by South Tyneside and Sunderland NHS Foundation Trust.

South Tyneside and Sunderland NHS Foundation Trust provides both acute hospital and community based healthcare services and serves a local population of approximately 430,000 residents with a wider catchment for more specialised services to a population as great as one million. There are no groups who are actively excluded from the potential to benefit from Charitable Funds resources.

Approximately 185 individual funds exist within the Charity registration. The majority of the Trust's wards and acute services have access to a fund. Geographically the funds exist to cover South Tyneside District Hospital, Sunderland Royal Hospital, Sunderland Eye Infirmary and community based services in South Tyneside, Sunderland and Gateshead.

Funds which are expected to hold a balance of £5000 or more can only be set up with CFC approval. Research funds would also require approval from the Head of the Research and Innovation Department. The scope for new research initiatives to sit fully within charitable funds continues to be limited partly due to the level of funding that may be required and where this funding might come from. Commercial and NHS funding cannot be included within charitable funds.

The existence of a fund to cover a specific ward, specialty, or activity is dependent on any or all of the following being received:

- Private individual donations, which include personal fundraising;
- Corporate sponsorship/support - freely given with no commercial gain or advantage to the donor – e.g. to support training events or equipment purchases;
- Legacies;
- Institutional support – e.g. from Universities in furtherance of pre-existing charitable research projects;
- Charity support – e.g. for equipment purchases or to develop training facilities or for General Purposes;
- Clinicians electing to waive their personal fee for private work and opting to have the fee donated to the Charity;
- Staff lottery; and/or
- Fundraising - Corporately organised.

Each fund has one or more designated managers. Fund managers have a delegated authority from the CFC to oversee their particular fund(s). Approval limits for authorising expenditure mirrored the controls in place for STSFT during 2020/2021 with the exception of standard fundholders who have a limit of up to £1,000 per transaction, which is lower than their limit for revenue transactions.

Any order valued at £5,000 or more requires a written proposal which must be presented to the CFC for consideration.

Any order which is Capital in nature (a fixed asset valued at £5,000 or more that will be donated to the Foundation Trust) must first receive approval to proceed from either the Capital Facilities Sub Group or the Capital Medical Sub Group. Any information technology (IT) requests must first be approved by the IT department. Capital orders of £50,000 and above must also be approved by the Capital Development Steering Group (CDSG).

Accounting functions and the day to day administration of the funds are handled by the Charitable Funds and Capital Finance Officer within the Financial Services department, located in Ward 17, South Tyneside District Hospital, Harton Lane, South Shields, NE34 0PL. The charity has a financial ledger system which is operated independently from the STSFT's own system.

The Charity currently has investments managed by both the CCLA and Rathbones. In early 2021 the Investment Management contract re-tendered, and Rathbones was successful in being reappointed.

Rathbones was the former City Hospitals NHS Charitable Funds investment broker and will continue to manage the investments on a discretionary basis. Rathbones, as Nominee is required to provide at least a quarterly portfolio valuation and attend nominated CFC meetings to advise on performance, opportunities and possible market concerns. Its performance is reviewed annually by the CFC.

The management of the investments currently held with the CCLA will transfer to Rathbones during the course of the 2021/22 financial year.

The Nominee manages three portfolios, two of which resulted from legacies and are earmarked for specific funds. The portfolios are:

- The Main Portfolio - for the benefit of all funds except the Special Purpose Funds;
- Fund 3345 (formerly 33920) - Leukaemia and Lymphoma Research (Special Purpose Fund); and
- Fund 2470 (formerly 24710) – Incorporating a bequest for the benefit of the Eye Infirmary which has a small portfolio managed by Rathbone Investment Management. This is for the benefit of the Eye Infirmary, held within the Eye Infirmary General Purpose fund.

Risk and Assurance

The Charity has assessed the major risks to which it may be exposed and has put in place policies and procedures to mitigate these risks. In particular:

- The internal controls of STSFT have been adopted by the Charity;
- The Charitable Funds Administrator/Procurement Department/General Office verify that all items requested from the funds are adequately authorised and in accordance with the objects of the Charity; and
- The Charity maintains a register of potential risks.

A significant area of uncertainty that affects the carrying value of assets held by the Charity is the performance of investment markets. The performance of the Investment Broker is reviewed as a minimum on a quarterly basis by the Trustee. The following projection covers up to 12 months following the 2020/21 audited accounts sign off.

Based on the Charity's available cash resources at the date of the financial statements approval, the Trustee considers that there are no material uncertainties about the Charity's ability to continue as a going concern up to 31 January 2023.

Uncertainties over the level of future income constitutes a risk to the going concern of the Charity. To this end, expenditure commitments are logged and reviewed by the CFC to ensure they have not exceeded monies held as cash and cash equivalents.

The risks around investment balances have been mitigated through the holding of balanced portfolios fully managed through the Nominee where the asset allocation mirrors the Charity Commission recommendation that no one investment should on average comprise more than 5% of the portfolio. In addition the Charity holds units in a Fixed Interest investment with the CCLA. Investment values are reviewed at least quarterly.

The Charity's operation and records are reviewed and tested by the external auditors Ernst & Young LLP (EY) both as part of STSFT's annual accounts audit and as part of

the statutory annual audit on the information reported within the Charity's Annual Financial Statements. EY also review the Annual Report and report their audit findings to the CFC. In 2021/22 the Charity has received an internal audit by AuditOne reporting on the internal controls and transactions spanning 2020/21 and the first quarter of 2021/22.

Protecting vulnerable people and Data Protection

The Charity exercises care and sensitivity when engaging with its donors and any activities involving vulnerable people. As an NHS Corporate Trustee Charity, the Charity adheres to the Trust's Safeguarding, Equality Diversity and Human Rights, Dementia,

Learning Disabilities, Mental Health Awareness, Freedom to Speak Up and Information Governance and Data Security policies.

Trustee Report

Objectives and Activities

The Trust Deed permits funds to be used for any charitable purpose(s) relating to the National Health Service. The objective of charitable funds expenditure is to provide an enhancement to patient/public benefit by being over and above what would be provided as part of STSFT's core services whilst also fulfilling the Charity Commission requirements on 'public benefit'.

Donors may express a wish as to the application of a specific gift, providing it falls within the overall purpose of the Charity. Gifts received by way of legacies must be applied according to the terms of the Will. The Charity does not accept legacies where it feels it cannot meet the terms of the Will. There are no funds to benefit specific named individuals, nor is any expenditure incurred that benefits a sole individual.

The CFC issues an 'Acceptable Spend Areas' list to senior managers, last updated in February 2021. It also contains a list of items that will not generally be funded via Charitable Funds.

In practice, funds are expended mainly on amenities for patients, medical equipment purchases and training. Financial support for staff employed at Sunderland to extend their knowledge through training or research is available because it enhances the skills set used in the delivery and management of healthcare. Funding of staff reward and recognition awards and award events is permitted by the CFC, though during the financial year no events were held due to the Covid19 pandemic.

The CFC delegates day-to-day management of the funds to designated fund managers who may also be operational service managers, with responsibility that may include clinical input within STSFT. These managers can thus tailor expenditure to provide defined benefits that are available to all service users.

Donations are allocated to a designated fund on receipt, by reference to the source of the donation and to the donor's instructions, if expressed.

Fundraising

The post of Fundraising Officer was created in February 2016 as part of the Corporate Affairs function. The post-holder is tasked with raising the profile of the Charity, with the aim of increasing income from donations and fundraising. An increase in income would permit the Charity to increase its spending, benefitting the provision of healthcare.
During 2020/21, the fundraising officer was seconded to help with the Covid19 pandemic effort and therefore pay costs were not charged to charitable funds. There were no corporately organised fundraising events during 2020/21.

Since April 2021 the fundraising officer has again been concentrating on the Fundraising Strategy which aims to promote closer links with corporate supporters through a Business Club and developing the charity's presence on the STSFT website so the public have access to an online donation facility.

The Charity voluntarily subscribes to the Fundraising Regulator and its Code of Fundraising Practice. The Regulator assumed responsibility for regulating fundraising from July 2016 and investigates and takes appropriate action on cases of public concern.

The Charity continues to run a monthly staff lottery draw. The lottery is licensed by the City of Sunderland Council under The Gambling Act 2005. The lottery proceeds may only be used for purposes falling within the Charity's objects clause.

Source and application of funds

Funds are used for both the purchase of relatively minor items for which NHS funding would otherwise not be available and also individual larger items of medical equipment or appropriate building work which are gifted to the Trust as donated Capital Assets and appear on the STSFT Statement of Financial Position.

The charitable funds have continued to provide a valuable resource to enable STSFT to provide additional facilities for patients and staff which otherwise would not have been possible.

Sources of funds are principally individual donations and legacies. Fund-raising by volunteers and also the staff lottery contribute towards income. Income received by way of fees for courses run by STSFT accounted for 3.47% of total income in 2020/21 (2019/20: 7.4%). The percentage decrease is primarily as a result of some smaller courses not being possible during the height of the Covid19 pandemic, and also through a significantly higher total income in 2020/21.This course fee income can only be held within charitable funds if the purpose is purely educational and the courses are not run for the purpose of income generation. The advancement of education is not the

Charity's primary aim, but in providing education, that increased knowledge base allows for the development and advancement of healthcare delivery.

CHoICE, the wholly owned subsidiary company to STSFT, once again donated to the Charity. Procurement services are provided to STSFT by CHoICE, but CHoICE does not control what its donation is spent on, nor does it directly procure goods on behalf of the Charity. During 2020/21 CHoICE significantly increased its donation to the Charity from £300k to £1m.

Income from donations alone increased significantly in 2020/21 totalling £1.4 million (2019/20: CHS £740k, ST £36k), with legacy receipts totalling £110k (2019/20: CHS £131k, ST nil). In addition, grants specifically given to assist with the Covid effort were received - £258k.

Even though general personal donations decreased somewhat in 2020/21, fundraisers found ways to raise lockdown funds, and the Charity has benefitted substantially from grants issued by NHS Charities Together (NHS CT), of which the charity is a member.

Utilisation of these grants from NHS CT has focussed on putting in place initiatives to help staff cope with the demands placed on them, both physically and emotionally.

Achievements and Performance in support of the Charity's primary aim

Patient welfare and amenities

Minor items of medical equipment (£15k) (CHS £56k, ST nil 2019/20): Expenditure included: specialist hoists and chairs benefitting Care of the Elderly wards, the Stroke Unit and community care (£11k) and ultrasound gel warmers for use within the Diagnostic Imaging Department (£3k).

Specialist staff (£121k before contribution from Bright Red charity of £23k) (£82k 2019/20): The Haematology project being jointly funded through the Bright Red Charity based at the Freeman Hospital in Newcastle Upon Tyne continued (£33k after contribution from Bright Red). Their support of this initiative is gratefully received. The administrative support to the multiple sclerosis (MS) service continued to be funded (£26k). The new Trust-wide Quality Improvement Facilitator post continued its trial funding within nursing (£40k).

All Cancer patient services (£56k): including the Cancer Patient Information Centre
The Rise Above Cancer fund – formerly known as Macmillan Cancer Information and Support Centre (MPIC) fund - continued to support patients by making legal advice available through Legacare (£10k), and in conjunction with the Phoenix Unit bought in counselling services provided by Sunderland Counselling (£38k) and bandanas and scarves continue to be made available to cancer patients (£1k). The service continues to support patients' children by providing 'worry monster' therapy 'toys'.

In 2020/21 the Rise Above Cancer fund received £42k income and spent £46k for the benefit of cancer patients and their families (2019/20: £43k income, £53k spent).
Rise Above Cancer is still affiliated to Macmillan and is supporting ever increasing numbers of patients. Sadly, due to the Covid19 pandemic, STSFT had to intermittently suspend the complementary therapy sessions to cancer patients and their carers,

provided by Coping with Cancer North East (£7k), however the service was retained and therapy sessions fully resumed again on 21 June 2021.
The service benefits a range of cancers including breast, prostate, lung, bowel, liver, stomach, gynaecological. The centre has also provided invaluable advice on benefits which during the Covid19 pandemic had to be telephone based. Patients still had access to Legacare services (£10k) for considerations such as drawing up a Will and guardianship, In February 2019, in a new 2 year venture jointly funded through the MPIC fund and Sunderland City Council, a new case worker concentrating on Welfare Rights started work at the MPIC. The first year was funded by the Charity in the 2019/20 year, with the City Council funding the second year.

STSFT works closely with the cancer charity 'Look Good Feel Better' but due to the pandemic was unable to hold the monthly workshops to support patients coping with the physical effects of cancer - by providing makeup sessions to help build patients' confidence and self-esteem. The workshops also give patients an opportunity to talk to others in similar situations. These workshops resumed in Sunderland in September 2021 and it is hoped the workshops will launch for South Tyneside patients early in 2022. The centre also purchases bandanas for patients to help them whilst going through chemotherapy and losing their hair.

Furniture and fittings (£10k) (£21k 2019/20): Included garden memorial benches, child friendly graphics for a paediatric X-ray room, wheelchairs, patient weighing machine, and furniture for the additional Macmillan patient information centre which has been developed at South Tyneside District Hospital to complement the centre on the Sunderland Royal Hospital site. The Covid 19 pandemic delayed the opening of the South Tyneside centre.

Other (£41k) – There have also been a number of smaller value items funded during the financial year. For example, Christmas gifts for patients occupying a bed and for children undergoing treatment in the week before Christmas (£8k), due to visiting restrictions as a result of the Covid19 pandemic, the Charity funded free TV for patients over the festive period (£7k), comfort packs made available to all wards as well as End of Life care packs provided to vulnerable patients being cared for at home, jogging pants and T shirts aimed at helping with patient mobilisation (£5k), special blanket nests for parents to cradle babies on the Neo Natal Unit, toys and therapy items for Paediatric areas, the Haven Court residence and also the Alexandra Centre for dementia patients (£3k). A considerable number of 'memory boxes' were created for families of the bereaved.
The Haven Court residence located on the site of South Tyneside District Hospital, whose patients are both short and long term, continued to provide amenities and activities for its residents ranging from a pantomime streamed at Christmas, to party items and games.
On the first anniversary of the redeveloped Maternity Birthing Centre at South Tyneside General Hospital, anniversary decorations and toiletry gifts were provided.

Contributions to NHS

The Charity also made contributions to the NHS worth £464k (2019/20: £683k) that are included under Donated Capital Assets in STSFT's Statement of Financial Position.

Equipment assets are:

- £225k – Ophthalmology:
    1. £108k - 7 slit lamps – microscopes to allow close examination of the inside of the eye.
    2. £69k – fundus camera that provides both colour and angiographic images covering a 200 degree field of view. The wide field imaging is invaluable for diagnosing and monitoring a wide range of conditions such as diabetes and other vasculopathies, uveitis, neoplasms, and retinal dystrophies. It has proved to be very useful in assessing patients first seen in the Emergency Department and also Paediatrics. It has proved particularly useful during the Covid19 pandemic as the images produced have allowed virtual follow up clinics and a reduced incidence of patients needing to attend the hospital for a slit lamp eye examination.
    3. £34k - 3 non-contact tonometry machines that allow the ocular pressure to be measured in patients with glaucoma. The devices are located at the Eye Infirmary, South Tyneside District Hospital and also the Durham Treatment Centre. These devices do not touch the patient's eye and also allow for a virtual follow up with the patient.
    4. £14k – portable ocular ultrasound for the Emergency Department at the Eye Infirmary
- Neo Natal Unit (NNU) -
    1. £6k – Ferno baby pod – a specialist device for transporting babies if they need to be moved to a unit at another site
    2. £6k VAT credit on a cooling mattress purchased in the prior year.
- £84k – Orthopaedics – spinal microscope
- £31k – Clinical neurophysiology – EMG diagnostic machine used in the diagnosis and understanding of common diseases such as epilepsy, carpal tunnel syndrome, neuropathy and diabetes
- £28k – Maternity Unit – 3 "Giraffe" open cots. These cots are used for resuscitation and transportation of babies.
- £13k – Urology Department - uretero renoscope – a very thin flexible scope for examining inside the urethra.

Building projects are:

- £76k – Garden of Reflection – located in the inner courtyard near the Chapel at Sunderland Royal Hospital. We are grateful for a contribution received to this scheme, outside charitable funds, from the Organ donation monies held by the Trust.

- £7k – work to relocate and extend the Bereavement Room located close to the Chapel at Sunderland Royal Hospital which also provides better access to the Garden of Reflection.

Training and Education Support

During 2020/21, 6 different course types were run by Sunderland Royal Hospital for both STSFT staff and professionals outside the Trust (2019/20: 10). The courses were held during periods of the pandemic when prevalence of the virus had declined slightly

and appropriate risk assessments were undertaken to allow groups to meet. As in previous years these include the Advanced Trauma Life Support (ATLS), Advanced Life Support (ALS), Advanced Paediatric Life Support (APLS), Neonatal Life Support (NLS, Immediate Life Support (ILS) and Paediatric Life Support (PLS) although fewer of the latter two took place.

Experts to facilitate these courses are sourced from across the UK. Both qualified and trainee medical and nursing staff in the UK attend these courses to extend or maintain their skills in accordance with current best practice. Courses run in 2020/21 generated £69k at a cost of £39k (2019/20: £75k, £63k). Expenditure includes equipment for course provision.

Course attendance consists of members of staff from STSFT and external paying delegates.

Research

No research costs were incurred.

Achievements and Performance - Investments

Traded investments and cash - income totalling £83k (2019/20: CHS £59k, ST £40k).

Traded investments - Rathbones		Fixed Interest Holding - CCLA		COIF** deposit accounts	
2020/21	2019/20	2020/21	2019/20	2020/21	2019/20
£000	£000	£000	£000	£000	£000
46	56	36	38	1	5

** Charities variable interest deposit fund held with CCLA Investment Management, an investment body serving charities, churches and the public sector.

The Lloyds bank current account continued to apply interest at 0%. Current account interest with NatWest bank amounted to £82. There was no working capital invested on the short term money markets.

Portfolio investments through Rathbones provide both an income stream which will exceed current account interest (as demonstrated above) and also provide some capital growth to enable income streams to better withstand inflationary pressures.

In line with the ethos of promoting patient care, the Corporate Trustee attempts to ensure that all investments are ethically and environmentally sound, and are not opposed to the purpose of the Charity.

The investment strategy includes the following:

The prime investment objective is to achieve a balanced portfolio between income and capital growth. The preferred level of investment risk is defined as 'Medium'. There

should be no investment in companies associated with the production of Armaments, Alcohol or the Tobacco industry. Although not strictly prohibited, sensitivity should also be given to investments in other industries associated with Alcohol, Armaments or Tobacco production

Rathbone statement

The investments recovered well during the financial year with 31 March 2020 representing the low point as the COVID pandemic took hold. The speed and scale of economic and monetary support put in place by Central Banks and Governments around the world enabled the global economy to stabilise quickly and the pace of both the collapse and subsequent recovery in stock markets was unprecedented when compared to previous market shocks.

The portfolio remained invested within the agreed asset allocation ranges throughout and this enabled the losses posted during Q1 2020/21 to be recovered early during the financial year. While there was a high degree of uncertainty about the pace of recovery throughout the period, the outcome was a positive one for the financial year with the portfolio posting a gain of 21.3%, ahead of the composite benchmark gain of 20.6% and comfortably ahead of the 6% annualised spending target.

Investors remain focused on the pace and success of global vaccination programmes while fears around the extent of COVID variants persist as lockdowns are lifted. From an economic perspective, inflation and employment data are being closely watched but Central Banks remain supportive and interest rates remain at historic lows. In summary, while the outlook remains somewhat uncertain, the Charitable Funds portfolio remains well diversified for the long-term

The former CHS endowment and restricted funds continue to be invested in a Common Investment Fund (COIF) Deposit Account to preserve the initial capital value. The COIF Charities Deposit account interest rate ended the year at 0.08% (2019/20: ending at 0.533%).

Financial Review of 2020/21

As at the 31 March 2021 the value of the funds was £7,122k. This represents a net increase of £1,547k on the 31 March 2020 Financial Statements value of £5,575k (CHS £4,247k , ST £1,328k)
The increase comprises:

- £1,135k from income exceeding expenditure (2019/20: expenditure exceeded income by £206k CHS, £40k ST)
- £329k from unrealised gains on the year end market value of the Charity's shareholdings (2019/20: unrealised loss £229k CHS, unrealised gain £5k ST)
- £83k from the realised gains on disposal of shareholdings (2019/20: realised gain on disposal £15k CHS)

As Covid19 took effect and lockdown was introduced on 23 March 2020, the Royal Voluntary Service (RVS) had to close its services and as a consequence the CFC approved a request to suspend the guaranteed gifting capability from the RVS with

effect from 1 April 2020 (2019/20: £160k). CHoICE, the commercial enterprise wholly owned by the STSFT increased its donation to £1million (2019/20: £300k).

Please refer to note 2 of the Financial Statements for financial data surrounding income received.

The majority of volunteer fundraisers have very strong personal reasons for supporting a particular service, with some employers operating a matching scheme. Most popular events are challenge events, (the Great North Run which fundraisers can enter independently of the Charity was suspended in 2020) and sponsored walks and Coast to Coast cycle rides.

Thank you to all the individuals, groups, schools, churches, many fellowships and clubs and employers who have generously supported STSFT's Charitable Funds.

The total resources expended were £848k (2019/2020: £1,218k CHS, £118k ST) a decrease of £488k.
This £488k decrease (36%) is accounted for by substantially decreased immediate expenditure on Capital purchases donated to STSFT, and a decrease in general Patient Welfare and Amenities expenditure. However, the CFC had approved bids totalling a further £755k during 2020/21, relating to equipment purchases and staff posts, which would crystallise post the financial year end.

The STSFT Fundraising Coordinator continues to interact personally with volunteers who fundraise for the Charity whilst also raising the Charity's profile amongst the public and staff and reviewing the Fundraising Strategy.

Expenditure spanned the usual range of patient amenities which include regular events such as Christmas presents for patients occupying a bed on Christmas Day, babies born over Christmas and children attending theatres and A&E over Christmas, staff amenities principally retirement and long service awards.

Reserves Policy

The Trustee's Reserves Policy forms part of the plan to provide long term support to STSFT for new equipment, patient and staff benefits, with free reserves held within the Charity's General Purpose Fund.

The Trustee intends that designated funds are spent within a reasonable period of receipt unless funds are reserved for major future developments and therefore foresee a need only to maintain reserves sufficient for general Trust-wide funding applications.

The Trustee continues to review the balances held within designated funds in accordance with the provisions of the NHS Acts relating to Charitable Funds, to determine whether these funds are likely to be committed in the near future and the extent to which there is a continuing need identified. In the event that the need identified no longer exists, those funds will be directed to the General Purpose Fund which is managed by Corporate Affairs.

Free reserves held within the General Purpose fund amounted to £215k (CHS £483k, ST £14k, reported at 31 March 2020). This is equivalent to 3% of total fund balances (2019/20: CHS 11%, ST 1%).

Future charges already accounted for against this fund during 2021/22 include:

- £41k for Fundraiser pay and non-pay;
- £9k for retirement awards;
- £4k for patient 'Comfort Packs';
- £12k for Long Service awards for staff;
- £8k for gifts for patients in hospital on Christmas Day.
- £140k CFC approved bids during 2020/21

Balances may be accumulated in an individual fund prior to the commencement of a project or the purchase of an expensive piece of medical equipment; this is to ensure that there are sufficient resources before commitment so that other earmarked funds are not placed at risk. STSFT is responsible for the day to day running costs and maintenance of equipment purchased through donated funds.
The CFC continues to take an active interest in reviewing fund usage to establish that funds are used appropriately and in a timely, controlled manner.

There are no funds in deficit.

Charity Merger

The merger of City Hospitals Sunderland Charitable Funds with South Tyneside General Charitable Fund has resulted in:

- Discrete site specific or service specific funds being retained as appropriate for service needs whilst consolidating the combined 360 funds of the former two charities.
- A new Financial Procedure Note (FPN) for the merged charity.
- A new government banking service bank account being set up for the merged STS charity which became operational in July 2021.
- A revised 'Acceptable Spend Areas' list ratified by the CFC in February 2021 for the merged charity.
- A new financial ledger system being installed to hold the charity's accounting records. This was installed in March 2021, and was populated with all transaction data relating to the period 1 April 2020 – 31 March 2021

Our Thanks

We greatly value the support we received from CHoICE for donating profits to the Charity and look forward to engaging with the RVS again and also the League of Friends who have supported initiatives at South Tyneside District Hospital, pre Covid 19.

As always, the Charity is grateful to the countless volunteer fundraisers who dedicate time and energy to raising funds for a number of specific services. Whatever the value of a donation made, we are grateful to all our donors and we acknowledge that for many, 2020/21 was a challenging year both financially and emotionally. We value the letters of thanks that are received, and our sympathies remain with families and friends who donate or continue to fundraise in memory of loved ones.

Without the on-going and tireless support of organisations, volunteers, individuals and their families, the Charity would not be able to pursue the many projects undertaken this year. To all of our donors we give our thanks and hope for their continued support in the years to come.

Plans for the Future

With the merger of the Foundation Trusts creating the new Corporate Trustee of the Charity, the Chief Executive of South Tyneside and Sunderland NHS Foundation Trust acknowledged in the Trust's first Annual Report in that with greater size and impact, comes more responsibility. Specifically:

- being a 'great' employer with a focus on diversity.
- being mindful of our environment (carbon neutral, paper free, plastics)
- supporting wealth creation in our local communities and restoring civic pride.
- protecting the most vulnerable in our society; and
- working closely with all our partners and stakeholders, including universities, other hospitals, local authorities, clinical commissioning groups and local businesses amongst others.

This applies equally to the application of charitable funds.

Support services provided to cancer patients will be more in demand than ever as the service has seen a 157% increase in benefits required to patients with less than six months to live. The Charity's close association with the benefits advisors provided by Sunderland City Council continues to be supported by Charity funding.

Fundraising associations with local businesses will be a focus of the Fundraising officer along with supporting volunteer fundraisers as we move away from the restrictions imposed by the Covid19 pandemic.

The Macmillan Patient Information Centre located at Sunderland Royal Hospital known as the 'Rise Above Cancer' fund continues to support the Personalised Patient Care Programme to look at Survivorship Activities Programmes and has been issuing care packages during the Covid19 pandemic. A sister centre has been established at South Tyneside District Hospital.

The monies donated by CHoICE are to be used to fund a number of major medical equipment purchases.

A new Fundraising appeal will commence in 2021/22 in connection with the new build approved to re-site the Sunderland Eye Infirmary. The appeal will hope to raise £2m over 2 years and will be managed by an additional fundraising officer.
The provision of fundraising card payment terminals within the Sunderland Royal Hospital which was halted because of Covid19 is being re-established.

Significant schemes approved by the CFC in 2020/21 which are crystallising in 2021/22 include:

- STSFT Organisational and Staff Psychology Team (Thrive service) - £397k over two years
- Midwife bereavement lead for Maternity services – £112k over two years
- Cancer MDT IT video conferencing facilities at SRH and STDH - £108k
- Two Tissue Viability nursing posts– Rehabilitation and Elderly Medicine – £95k one year pilot
- Inclusion Advisor - £83k two year fixed term contract

The fund balances carried forward to 2021/22 will continue to be used to enhance services and resources for the provision of healthcare by South Tyneside and Sunderland NHS Foundation Trust, but which can, through training initiatives and research have an impact on healthcare provision nationally. In line with the legal requirement to provide and demonstrate wide ranging patient benefit, the most effective use of our Charitable Funds will continue to be monitored by the CFC.

To view the Charity's current and previous Trustee Annual Report and Financial Statements and for further information on areas such as Charities Act updates, Public Benefit Guidance and Good Governance please visit www.charitycommission.gov.uk.

By Order of the Trustee

Signed.....(Director)

Dated..27TH JANUARY 2022.....

Statement of Trustee responsibilities

The Trustee 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).

The law applicable to charities in England and Wales requires the 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 Trustee is required to:

- select suitable accounting policies and then apply them consistently;

- observe the methods and principles in the Charities SORP (FRS102);

- make judgments and estimates that are reasonable and prudent;

- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustee is 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.

On behalf of the Trustee
Signed:

Director ..... Date 27 JANUARY 2022

Director ..... Date 27 January 2022

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF SOUTH TYNESIDE AND SUNDERLAND NHS FOUNDATION TRUST CHARITABLE FUNDS

Opinion

We have audited the financial statements of South Tyneside and Sunderland NHS Foundation Trust Charitable Funds for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement Cash Flows and the related notes 1 to 14, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is 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".

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 United Kingdom Generally Accepted Accounting Practice; and
- ▶have been prepared in accordance with the requirements of the Charities Act 2011.

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 below. 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 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 trustees' 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 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the trustee's ability to continue as a going concern.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF SOUTH TYNESIDE AND SUNDERLAND NHS FOUNDATION TRUST CHARITABLE FUNDS (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 trustees are responsible for the other information contained in 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 in 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 the other information, we are required to report that fact.

We have nothing to report in this regard

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- ▶the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- ▶sufficient accounting records have not been kept; or
- ▶the 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.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 23 the trustees are 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 trustees determine 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 trustees are 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 management either intends to liquidate the charity or to cease operations, or has no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF SOUTH TYNESIDE AND SUNDERLAND NHS FOUNDATION TRUST CHARITABLE FUNDS (continued)

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 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 as a whole 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 on the basis of these financial statements.

Explanation as to what extent 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 irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the charity and determined that the most significant are the Charities Act 2011 and Financial Reporting Standards FRS102.

- We understood how South Tyneside and Sunderland NHS Foundation Trust Charitable Funds is complying with those frameworks by understanding the incentive, opportunities and motives for non-compliance, including inquiring of management and those charged with governance and obtaining and reviewing documentation relating to the procedures in place to identify, evaluate and comply with laws and regulations, and whether they are aware of instances of non-compliance. We corroborated this through our review of the charity's board minutes and through enquiry of employees to verify charity policies and other information. Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures had a focus on compliance with the accounting framework through obtaining sufficient audit evidence in line with the level of risk identified and with relevant legislation.

- We assessed the susceptibility of the charity's financial statements to material misstatement, including how fraud might occur by understanding the potential incentives and pressures for management to manipulate the financial statements, and performed procedures to understand the areas in which this would most likely arise. Based on our risk assessment procedures, we identified manipulation of reported financial performance (through inappropriate recognition of revenue) and management override of control to be our fraud risks.

- Our fraud risk on revenue recognition was specifically focused on inappropriate reognition of donations and legacies income in the period leading up the year end. We used a lower testing threshold when selecting our sample and tested each item to supporting documentation to confirm whether it had been appropriately recognised in the financial statements.

- To address the fraud risk arising from management override of controls, we tested specific journal entries identified by applying risk criteria to the entire population of journals. For these transactions we tested back to source documentation to confirm that the journals were authorised and accounted for appropriately. We also tested all individually material transactions to identify any significant unusual transactions or transactions outside the normal course of business.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF SOUTH TYNESIDE AND SUNDERLAND NHS FOUNDATION TRUST CHARITABLE FUNDS (continued)

Use of our report

This report is made solely to the Trustees, 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 trustees those matters we are required to state to them in an auditors' 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Ernst & Young LLP

Ernst & Young LLP

Statutory Auditor

Manchester
28-Jan-22

Ernst & Young LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

SOUTH TYNESIDE AND SUNDERLAND NHS FOUNDATION TRUST CHARITABLE FUNDS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

FOREWORD

These financial statements have been prepared by the Trustee under Part 8 of the Charities Act 2011, and in accordance with the Charities Statement of Recommended Practice (FRS102).

STATUTORY BACKGROUND

For the Financial Year 2020/2021 South Tyneside and Sunderland NHS Foundation Trust (STSFT) was the Corporate Trustee of the Charitable Funds. STSFT was established on 1 April 2019.

The South Tyneside and Sunderland NHS Foundation Trust Charitable Funds are registered with the Charity Commission (registered number 1052366) and include funds in respect of services at the Sunderland Royal Hospital, Sunderland Eye Infirmary, South Tyneside District Hospital, as well as some Community services and services located at the Children's Centre, Sunderland. Prior to 1 April 2020 charity number 1052366 was registered as City Hospitals Sunderland NHS Foundation Trust Charitable Funds. The registered charity South Tyneside Trust General Charitable Fund, registered charity number 1059500, whose Corporate Trustee is also South Tyneside and Sunderland NHS Foundation Trust, merged with the registration number 1052366 on 1 April 2020. At the time of signing, the Charity Commission is yet to reflect the merger of charity number 1059500 on its website.

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.

MAIN PURPOSE OF THE CHARITABLE FUNDS

The main purpose of the Charitable Funds is to apply income for any charitable purpose relating to the National Health Service, for the services provided by STSFT.

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	**Total 2021 Funds £000**	Combined Total 2020 Funds £000
Income from:						
Donations & Legacies	2	1,565	2	0	**1,567**	907
Grants	2.4	258	0	0	**258**	0
Charitable Activities	3	69	0	0	**69**	77
Other Trading Activities	4	6	0	0	**6**	7
Investments	9.4	79	4	0	**83**	99
Total Income		1,977	6	0	**1,983**	1,090
Expenditure on:						
Raising Funds	5	(23)	(1)	0	**(24)**	(61)
Charitable Activities	6	(726)	(98)	0	**(824)**	(1,275)
Total Expenditure	7	(749)	(99)	0	**(848)**	(1,336)
Net Gain/(Loss) on investments	9.1	388	24	0	**412**	(224)
Net Income / (Expenditure)		**1,616**	**(69)**	**0**	**1,547**	**(470)**
Transfer between funds		0	0	0	**0**	0
Net movement in funds		**1,616**	**(69)**	**0**	**1,547**	**(470)**
Reconciliation of Funds:						
Total funds brought forward		5,180	236	159	**5,575**	6,045
Total funds carried forward	**13**	**6,796**	**167**	**159**	**7,122**	5,575

All results derive from continuing operations.
All gains and losses recognised in the year are included in the above.
There is no material difference between the net incoming resources stated above and their historical cost equivalents.

BALANCE SHEET AS AT 31 MARCH 2021

	Notes	Unrestricted Funds	Restricted Funds	Endowment Funds	**Total 2021 Funds**	Combined Total 2020 Funds
		£000	£000	£000	**£000**	£000
Non current assets						
Investments	9.1,9.3	3,551	161	1	**3,713**	2,104
Total non-current assets		3,551	161	1	**3,713**	2,104
Current assets						
Investments	9.2	0	0	0	**0**	1,158
Trade and other receivables	10	27	0	0	**27**	32
Cash and cash equivalents	11	3,367	6	158	**3,531**	3,028
Total current assets		3,394	6	158	**3,558**	4,218
Current liabilities						
Trade and other payables	12	(149)	0	0	**(149)**	(747)
Net current assets		3,245	6	158	**3,409**	3,471
Total net assets		**6,796**	**167**	**159**	**7,122**	5,575
Retained funds of the Charity						
Endowment Funds	13.1	0	0	159	**159**	159
Restricted Income Funds	13.3	0	167	0	**167**	236
Unrestricted Income Funds	13.5	6,796	0	0	**6,796**	5,180
Total retained funds of the Charity		**6,796**	**167**	**159**	**7,122**	5,575

The financial statements on pages 29 to 48 were approved by order of the Trustee on 27 January 2022 and signed on its behalf by:

KW Bremner
Chief Executive, South Tyneside and Sunderland NHS Foundation Trust, Corporate Trustee

STATEMENT OF CASHFLOW

	Year Ended 31 March 21 £'000s	Combined Total Year Ended 31 March 20 £'000s
Net income and expenditure for the reporting period	1,547	(470)
Decrease in current debtors	5	90
(Decrease) / Increase in current creditors	(598)	338
Net (Gain) / Loss on investments	(412)	224
Net cash inflow from operating activities	**542**	**182**
Disposals at Sales Proceeds values	677	635
Acquisitions at cost	(716)	(598)
Net Cash flow from investment activities	**(39)**	**37**
Net cash inflow cash and cash equivalents	**503**	**219**
Cash and cash equivalents at beginning of the period	3,028	2,809
Cash and cash equivalents at end of the period	**3,531**	**3,028**

NOTES TO THE FINANCIAL STATEMENTS

1 Accounting Policies

1.1 Basis of preparation

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

These financial statements have been prepared under the historical cost convention as modified by the inclusion of investments at market value, in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective from 1 January 2015) – Charities SORP second edition revised October 2019, the Companies Act 2006 and the Charities Act 2011.

The Charity's functional and presentational currency is the pound sterling.

The combination of the former City Hospitals Sunderland NHS FT Charitable Funds and the South Tyneside NHS FT General Charitable Fund has been considered a merger for the purposes of preparing the 2020/21 financial statements. The combination was considered to meet all of the merger accounting requirements including the fact it was permitted under the statutory framework, no party to the combination was portrayed as either an acquirer or acquire, all parties to the combination, as represented by the members of the governing body, participated in establishing the management structure and there was no significant change to the class of beneficiaries of the combining entities or the purpose of the benefits the charity provided as a result of the combination.

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Going Concern

The uncertain economic outlook and the variability in income from donations and legacies year-to-year represents a significant area of financial uncertainty for the Charity. The Charity mitigates this risk through maintaining diversity in its income streams and upholding expenditure authorisation controls to prevent over-commitment of funds. Therefore, this is not anticipated to represent a risk to going concern.

A significant area of uncertainty that affects the carrying value of assets held by the Charity is the performance of investment markets. The performance of the Investment Broker is reviewed as a minimum on a quarterly basis by the Trustee. The following projection covers up to 12 months following the 2020/21 audited accounts sign off.

Based on the Charity's available cash resources at the date of the financial statements approval, the Trustee considers that there are no material uncertainties about the Charity's ability to continue as a going concern up to 31 January 2023.

1.2 Structure of funds

Where there is a legal restriction on the purpose to which a fund may be put, the fund is classified either as:
- A restricted fund; or
- an endowment fund.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor. Where the restriction requires the gift to be invested to produce income but the Trustee has the power to spend the capital, it is classed as expendable endowment.

Endowments are held as expendable endowments unless there is a specific term in the bequest stating the capital element should be held in perpetuity. Under such bequests, the capital value will be maintained, income generated by capital in perpetuity can be spent.

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

The major funds held in each of these categories are disclosed in note 13.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1 Accounting Policies (continued)

1.3 Income

a) Donations, staff lottery, royalties, investment income, course and conference fees:

All incoming resources are included in full in the Statement of Financial Activities as soon as the following three factors can be met:

(i) entitlement – arises when a particular resource is receivable or the Charity's right becomes legally enforceable;

(ii) probable – when it is more likely than not that the incoming resource will be received; and

(iii) measurement – when the monetary value of the incoming resources can be measured with sufficient reliability and the costs incurred for the transaction can be measured reliably.

Where there are terms and conditions attached to income, particularly grants, then these terms or conditions must be met before the income is recognised as the entitlement condition will not be met until that point. Where terms or conditions have not been met or uncertainty exists as to whether they can be met then the relevant income is not recognised in the year but deferred and shown on the balance sheet as deferred income.

Income, except for investment income, is allocated to a fund in accordance with the donor's/payer's intention. Investment income is held in suspense funds prior to being apportioned, except for dividends and interest received from two of the portfolios which are allocated direct to funds.

b) Legacies:

Legacies are accounted for as incoming resources once the receipt of the legacy becomes probable or is within the control of the Charity. 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.

Legacies are allocated to a fund servicing the area of benefit as defined in the bequestor's Will.

c) Staff Lottery:
Income is recorded net of the cost of prizes. The Lottery policy states that 50% of proceeds are allocated in prize monies, therefore only income available to the Charity is recorded in the financial statements.

d) Investment income apportionment:
Common deposit fund interest (COIF) relating to the former CHS charity is apportioned over the former CHS endowment funds and all of the restricted funds using the average balance on the fund; any surplus is apportioned to all unrestricted funds. The former ST COIF is apportioned over all funds using the average balance of the fund excluding the former CHS endowment fund.

Traded fixed asset investments dividends and interest result from three portfolios:

The main portfolio relates to unrestricted funds and is apportioned at the same time as the support costs apportionment, on the basis of the fund average balance as a proportion of the total fund average balances.

The second portfolio relates to one restricted fund and income is allocated direct to the fund.

The third portfolio relates to one unrestricted fund and income is allocated direct to the fund.

Income from Fixed Interest holdings is apportioned over all unrestricted funds and ST restricted and endowment funds.

1.4 Transfer of Funds

Common deposit fund interest apportioned over endowment funds is transferred to respective restricted funds at the same time as the support cost apportionment. See notes 13.1 and 13.3.

1.5 Liabilities

All expenditure is recognised once there is a known legal or constructive obligation to make a payment to a third party. Liabilities have been recorded at settlement value.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1 Accounting Policies (continued)

1.6 Expenditure expended

The Charitable Funds' financial statements are prepared in accordance with the accruals concept.

a) Costs of generating funds:

The costs of generating funds are the costs associated with generating income for the Charitable Funds. The costs incurred relate to operating the staff lottery, investment portfolio management fees and pay and non-pay relating to the Charity fundraiser working within the Corporate Affairs department. During 2020/21 the Charity Fundraiser was deployed elsewhere within the STS Foundation Trust, assisting with the Covid effort. For that reason pay costs have been borne by the Foundation Trust rather than the Charity.

b) Costs of Charitable Activities – Support Costs:

These are accounted for on an accruals basis and include recharges of appropriate proportions of the salary costs from South Tyneside and Sunderland NHS Foundation Trust of 0.82 whole time equivalent post. There are no staff directly employed by the Charity. Bank charges relating to the operation of the Charity's non-exchequer bank accounts are included, as well as software licence and maintenance fees charged by the suppliers of the Charitable Funds database systems. During 2020/21 the charity mantained access to the database system previously used by City Hospitals Sunderland charity.
Support costs are inclusive of Governance costs – see (d).

Support costs are allocated across all funds, normally at the end of a quarter on the basis of the fund average balance as a proportion of the total fund average balances. In 2020/21 this apportionment has taken place at the year end. During the 2020/21 financial year the support function was largely provided via home working. The Charity reviewed the database provision available to it, which did not provide remote access. A new database was installed in March 2021

c) Costs of Charitable Activities – Research Activities:

Research via Charitable Funds must comply with any requirements contained in the Charities Act, and also Charity Commission guidelines. In addition, South Tyneside and Sunderland NHS Fundation Trust has a research policy, ratified by the Trust via its Research and Development Steering Group, which involves vetting and approval by the Trust's Scientific Review Committee and externally by an approved Research Ethics Committee. Charitable constraints mean that only a select few projects would meet charitable criteria.

d) Governance costs:

This includes only those costs attributable to generating the information required for public accountability (i.e. financial statements and Trustee Annual Report preparation).

The costs include an appropriate proportion of salary costs relating to the Charitable Funds Administrator and review costs by the Capital Accountant, recharged from South Tyneside and Sunderland NHS Foundation Trust at 0.04 whole time equivalent.
The fee for the annual external audit is accrued within this category.

1.7 Tangible Fixed Assets

The Charity does not hold any tangible fixed assets.

Any purchases of goods which satisfy the tangible fixed asset criteria are gifted to South Tyneside and Sunderland NHS Foundation Trust under "Contribution to NHS" – see notes 6.1 and 14.2. These are then accounted for within the STSFT balance sheet under Donated Fixed Assets.

1.8 Cash and cash equivalents

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1 Accounting Policies (continued)

1.9 Investments

All investments are held to provide an investment return for the Charity.

Investment non-current assets are shown at market value as at the balance sheet date. The valuation of listed investments is based on mid-market prices and is obtained from the Charity's investment broker Rathbone Investment Management Limited.

The value of unlisted investments is obtained by Rathbone Investment Management Limited from trading brokers.

Investments comprise a mix of UK Government Gilts, fixed interest bearing shares and bonds, FTSE 100 and 250 quoted stocks, overseas equities and a number of Alternative Assets including hedge funds, commodities and

As per Charity Commission guidelines, no one investment on average comprises more than 5% of the total portfolio value. Some investment assets came to the Charity by way of bequests

All traded investment business is handled on a discretionary basis by the broker, who acts as a Nominee. The Trustee believes that the carrying value of the investment is supported by their underlying net assets.

Following the merger of the South Tyneside General Charitable Funds , registered charity number 1059500 with City Hospitals Sunderland Charity, registered charity number 1052366, the Fixed Interest Fund holding with the CCLA has been retained. The charity holds units within this fund.

1.10 Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise.

Realised gains and losses on investments are calculated as the difference between sales proceeds and book value. An adjustment is made for previous unrealised gains being the difference between the previous year end market value and the book value.

It should be noted that under the arrangement with the investment broker, the cash proceeds from disposals and non-dividend income are held by the broker in a Capital Account pending reinvestment.

Unrealised gains and losses are calculated as the difference between the market value at the year end and opening market value (or date of purchase if later).

The above applies to the current and prior financial year.

1.11 Charity merger

On 1 April 2020, City Hospitals Sunderland Charitable Funds merged with South Tyneside General Charitable Fund (reg no 1059500) to become South Tyneside and Sunderland NHS Foundation Trust Charitable Funds, (working name STS Charity), registration number 1052366. Also see Foreword page 25 for more detail.

The accounts have been prepared on the basis of a merger taking the following into consideration:

- the beneficiary class has not significantly changed;
- the purposes for which funds are held has not significantly changed;
- the persons who constitute the trustee body has not significantly changed; and
- no non-controlling interest in the net assets of the charity was altered by the transfer.

Included within the accounts is a summary of the prior year's SOFA (see page 47) and Balance Sheet (see page 48) for each of the former charitable organisations including a combined summary. The combined summary reflects the aggregation of the existing assets, liablities and funds at the point of the merger. At the point of the merger, there were no related party payable and receivable balances. The allocation of funds between restricted and unrestricted has been fully maintained.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1 Accounting Policies (continued)

1.12 Prior year adjustments

There has been no change to the financial statements of prior years other than reflecting the merger of City Hospitals Sunderland NHS Charitable Funds and South Tyneside NHS Charitable Funds.

1.13 Exemption from Corporation Tax

South Tyneside and Sunderland NHS Charitable Funds is a registered Charity, subject to the taxation reliefs applicable to charities. All income is applied in furtherance of the objectives of the Charity, it is exempt from

1.14 Financial instruments

Financial assets and financial liabilities are recognised when the Charity becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a finance transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

The Charity only holds financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

1.15 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Charity's accounting policies, which are described in notes 1.1 to 1.13, the Trustee is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The Trustee does not consider there are any critical judgements or sources of estimation uncertainty requiring disclosure beyond the accounting policies listed above.

1.16 Covid19

The United Kingdom national lockdown took effect on 23 March 2020 and the effects of Covid19 did not have a discernible impact on the 2019/2020 Financial Statements. During the 2020/2021 financial year, organised mass fundraising events could not take place , but the South Tyneside and Sunderland NHS Foundation Trust charity (working name 'STS Charity') benefitted from a brief increase in personal donations at the start of the pandemic, lockdown voluntary fundraising and significant Covid19 grants from NHS Charities Together, of which STS charity is a member. The value of investments held by the charity, managed by the nominee Rathbone Investment Management, in line with a global stock markets, saw a sharp fall in value as at 31 March 2020. However, stock markets have since rallied and the unrealised losses at 31 March 2020 have been reversed.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Income from donations & legacies **2**

2.1 Donations

	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	**Total 2021 Funds £000**	Combined Total 2020 Funds £000
Donations from individuals	160	2	0	**162**	194
Donations from charities	24	0	0	**24**	230
Corporate donations	1,265	0	0	**1,265**	327
Non corporate donations	6	0	0	**6**	25
	1,455	**2**	**0**	1,457	776

Analysis of donations from individuals

	£000 received		**Number of deposits**	
	2021	2020	**2021**	2020
Individuals giving > £1k	38	58	16	24
Individuals giving > £100	67	94	211	348
Fundraising - voluntary (not via STSFT)	21	22	50	30
Other	36	20	363	254
Totals	**162**	194	**640**	656

2.2 Legacies

	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	**Total 2021 Funds £000**	Combined Total 2020 Funds £000
Rehab and Elderly Medicine	40	0	0	**40**	0
Medical Specialties	42	0	0	**42**	0
General Internal Medicine	0	0	0	**0**	5
Ophthalmology	22	0	0	**22**	126
CardioThoracic Medicine	4	0	0	**4**	0
General Purposes	2	0	0	**2**	0
	110	**0**	**0**	110	**131**

In total 10 legacies were received during 2020/21 (2019/20: 4).

2.3 Total donations and legacies	**1,565**	**2**	**0**	1,567	907

2.4 Grants

	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	**Total 2021 Funds £000**	Combined Total 2020 Funds £000
Grants from Charities					
NHS CT - NHS Charities Together	198	0	0	**198**	0
CHSA - Covid19 Healthcare Support Appeal	60	0	0	**60**	0
	258	**0**	**0**	258	**0**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Income from charitable activities **3**

	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	**Total 2021 Funds £000**	Combined Total 2020 Funds £000
Course and conference fees	**69**	**0**	**0**	**69**	77

6 different course types were held (2019/20 : 10).

Income from other trading activities **4**

	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	**Total 2021 Funds £000**	Combined Total 2020 Funds £000
Staff lottery	6	0	0	**6**	7
	6	**0**	**0**	**6**	7

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Details of Fundraising expenditure 5

	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	**Total 2021 Funds £000**	Combined Total 2020 Funds £000
Bought-in services from NHS	(2)	0	0	**(2)**	(40)
Investment Broker fee	(18)	(1)	0	**(19)**	(18)
Corporate Fundraising non pay	(3)	0	0	**(3)**	(3)
	(23)	**(1)**	**0**	**(24)**	(61)

All traded investment business covering all funds is handled by the Charity's investment broker, Rathbone Investment Management Ltd.

Bought-in services relate to salary recharges from STSFT in respect of managing the staff lottery £2k (0.09 wte - whole time equivalent) and in 2019/20 the corporate charity fundraiser post £38k (1wte). During 2020/21 the charity fundraiser was deployed on the Covid effort and therefore recharged to revenue.

Details of Charitable activities expenditure 6

6.1 Cost of Charitable Activities

	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	**Total 2021 Funds £000**	Combined Total 2020 Funds £000
Patients' welfare and amenities	(228)	(3)	0	**(231)**	(352)
Course and conference costs	(39)	0	0	**(39)**	(63)
Contributions to NHS	(370)	(94)	0	**(464)**	(752)
Staff welfare and amenities	(41)	0	0	**(41)**	(61)
Support and governance costs	(48)	(1)	0	**(49)**	(46)
Research	0	0	0	**0**	(1)
	(726)	(98)	0	(824)	(1,275)

Analysis of support costs expenditure 6.2

Support and governance cost:	Staff / Patient Welfare and Amenities £000	Course and Conference Costs £000	Governance Costs £000	Research £000	**Total 2021 Funds £000**	Combined Total 2020 Funds £000
Unrestricted	(26)	(4)	(19)	0	**(49)**	**(44)**
Restricted	0	0	0	0	**0**	**(2)**
	(26)	(4)	(19)	0	**(49)**	(46)

Support costs mainly relate to pay in respect of 0.82 whole time equivalent (wte) staff costs of which 0.04 wte was transferred to Governance in connection with the preparation of the statutory Annual Financial Statements and Trustee Annual Report. There are no staff employed directly by the charity therefore there have been no pension contributions made in the year. Non pay costs include bank charges and licence fees associated with the Charitable Funds database. Governance costs include the statutory annual audit by Ernst&Young for 20/21 at £17,130 (exclusive of VAT) and an element of support costs detailed above. In 2020/21 there was no internal audit charge.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Analysis of total expenditure 7

	Costs of Fundraising £000	Investment Management Costs £000	Costs of Charitable Activities £000	Governance Costs £000	**Total 2021 £000**	Combined Total 2020 £000
Other	(3)	0	(647)	0	(650)	(1,137)
Bought-in services from NHS	(2)	0	(159)	(2)	(163)	(171)
Investment Broker fee	0	(18)	0	0	(18)	(18)
Audit fees - internal audit provision	0	0	0	0	0	(3)
Audit fees - external statutory audit provision	0	0	0	(17)	(17)	(7)
	(5)	**(18)**	**(806)**	**(19)**	**(848)**	(1,336)

Grants made to institutions and individuals 8 During the year, the Charity made no grants to individuals or other institutions but funding was provided to STSFT for the benefit of patients, staff which could not be funded out of NHS operating expenses.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Analysis of non current asset investments

9 Analysis of non current asset investments

9.1 Traded Non Current Asset Investments:

	Total 2021 £000	Combined Total 2020 £000
Managed Portfolios		
Market value at 1 April	2,104	2,370
Less: Disposals at Sales Proceeds values	(677)	(635)
Add: Acquisitions at cost	716	598
Net unrealised and realised gain / (loss) on sale and revaluation	427	(229)
Market value at 31 March	**2,570**	2,104
Fixed Interest Fund Holding		
Market value at 1 April	1,158	0
Less: Disposals at Sales Proceeds values	0	0
Add: Acquisitions at cost	0	0
Net unrealised and realised gain / (loss) on sale and revaluation	(15)	0
Market value at 31 March	**1,143**	0
Total non current asset investments	**3,713**	2,104
Historic cost at 31 March-Managed Portfolios and Fixed Interest Holding	**4,139**	2,268

9.2 Traded Current Asset Investments:

	Total 2021 £000	Combined Total 2020 £000
Fixed Interest Fund Holding		
Market value at 1 April	0	1,153
Less: Disposals at Sales Proceeds values	0	0
Add: Acquisitions at cost	0	0
Net unrealised and realised gain / (loss) on sale and revaluation	0	5
Market value at 31 March	**0**	1,158
Historic cost at 31 March Fixed Interest Holding	**0**	1,150

In 2019/20 the Fixed Interest Holding investment was reclassified as a current asset on account of this being held by the former South Tyneside General Charitable Fund, registered charity number 1059500 which merged on 1 April 2020 with the registered charity 1052366 to become South Tyneside and Sunderland NHSFT Charitable Funds.

9.3 Traded Non Current and Current Asset Investments:

	31 March 2021 £000	Combined Total 31 March 2020 £000
Investments listed on a recognised Stock Exchange:		
In the UK	2,091	1,940
Outside the UK	60	71
Unlisted securities:		
In the UK	1,041	973
Outside the UK	521	278
Total	**3,713**	3,262

Within the combined total for the year ended 2020, £37k within Listed, In the UK, relates to the Fixed Interest Fund Holding, relating to charity 1059500.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Analysis of gross income from investments 9.4

Total gross income:	Total 2021 £000	Combined Total 2020 £000
Investments listed on a recognised Stock Exchange:		
In the UK	65	73
Outside the UK	0	0
Unlisted securities:		
In the UK	11	16
Outside the UK	6	5
Investments in a Common Deposit Fund	1	5
Current account / short term interest	0	0
Total	**83**	99

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Analysis of Trade and other Receivables 10

Amounts falling due within one year:	31 March 2021 £000	Combined Total 31 March 2020 £000
Trade receivables	11	9
Amounts due from STSFT	1	1
Prepayments and accrued income	15	22
Total receivables falling due within one year	**27**	32

Analysis of Cash and Cash Equivalents 11

Cash and cash equivalents	31 March 2021 £000	Combined Total 31 March 2020 £000
Cash at commercial bank and GBS	2,997	2,438
Notice Deposits (less than 3 months)	463	463
Cash held in dealing account with Investment Broker	71	127
Total cash and cash equivalents	**3,531**	3,028

Analysis of Trade and other Payables 12

Amounts falling due within one year:	31 March 2021 £000	Combined Total 31 March 2020 £000
Amounts due to STSFT - (20/21 incl Invoices on Hold and Purchase Order Accruals)	(85)	(613)
Trade payables	(30)	(87)
Accruals and deferred income	(34)	(9)
Other payables - (19/20 incs STSFT accruals	0	(38)
Total payables falling due within one year	**(149)**	(747)

Analysis of Funds 13

13.1 Endowment Funds

Details of material funds - Endowment Funds

	Combined Total Balance 1 April 2020 £000	Incoming Resources £000	Resources Expended £000	Transfers £000	Gains on Disposals £000	Gains on Revaluations £000	**Balance 31 March 2021 £000**
Fund 1910 Legacy	157	0	**0**	0	0	0	**157**
Fund 1900 Legacy	2	0	**0**	0	0	0	**2**
Funds1920-1940 Gifts	1	0	**0**	0	0	0	**1**
Total	**159**	**0**	**0**	**0**	**0**	**0**	**159**

13.2 Description of funds

Fund 1910 Legacy	-	Capital in Perpetuity to purchase equipment at Sunderland Eye Infirmary.
Fund 1900 Legacy	-	Capital in Perpetuity to place "in memoriam" flowers in the Chapel.
Fund 1920	-	to benefit the Library
Fund 1930 +1940	-	to benefit Nursing

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Analysis of Funds **13 (Continued)**

Details of material funds - Restricted Funds **13.3 Restricted Funds**

Material funds	Combined Total Balance 1 April 2020 £000	Incoming Resources £000	Resources Expended £000	Transfers £000	Gains on Disposals £000	Gain on Revaluation £000	Balance 31 March 2021 £000
Eye Infirmary Legacy	94	0	(94)	0	0	0	0
Leukaemia Research Legacy	71	4	(2)	0	1	23	97
Orthopaedics bequest	35	0	0	0	0	0	35
Neonatal Unit Legacy	13	0	0	0	0	0	13
Other designated funds	23	2	(3)	0	0	0	22
Total	**236**	**6**	**(99)**	**0**	**1**	**23**	**167**

13.4 Description of funds

Eye Infirmary Legacy	-	For the purchase of medical equipment
Leukaemia Research Legacy	-	For leukaemia and lymphoma research.
Orthopaedics bequest	-	For the provision of an operating theatre bed specifically designed for people suffering from curvature of the spine
Neonatal Unit legacy	-	For South Tyneside neonates

Details of material funds - Unrestricted Funds **13.5 Unrestricted Funds**

Material funds	Combined Total Balance 1 April 2020 £000	Incoming Resources £000	Resources Expended £000	Transfers £000	Net Gain on Disposals £000	Net Gain on Revaluation £000	Balance 31 March 2021 £000
Medical Equipment purposes	672	1,013	(80)	0	13		**1,618**
COVID 19	0	548	(20)	0	8		**536**
General Purposes	538	34	(152)	0	10		**430**
Paediatric department	321	11	(3)	0	6		**335**
NeoNatal Unit	301	16	(8)	0	6		**315**
Rise Above Cancer	185	38	(46)	0	4		**181**
SRH Coronary Care	160	6	(2)	0	3		**167**
Glaucoma purposes	182	5	(37)	0	3		**153**
Maternity Unit	162	3	(30)	0	3		**138**
Clinical Haematology	152	25	(56)	0	2		**123**
Phoenix Unit - Chemotherapy	107	24	(22)	0	2		**111**
SEI General Purposes	170	29	(97)	0	2		**104**
Diabetes purposes Legacy	87	1	(1)	0	2		**89**
SRH Ward D46 Stroke (prev E58,D41)	53	44	(10)	0	2		**89**
Orthopaedic Department	125	2	(43)	0	2		**86**
Elderly Mediine Wards	78	1	(6)	0	2		**75**
Pharmacy department	67	8	(1)	0	1		**75**
Renal purposes	43	31	(1)	0	1		**74**
MS fund	91	1	(27)	0	2		**67**
STDH Cardiology bequests	63	1	(1)	0	2		**65**
Staff Lottery	62	12	(12)	0	0		**62**
ENT/SALT purposes	57	4	(1)	0	1		**61**
Diagnostic Imaging department	65	1	(7)	0	1		**60**
South Tyneside Community Planned Car	50	7	0	0	1		**58**
SRH Cardiology	55	2	(1)	0	1		**57**
Gynaecology purposes	53	1	(1)	0	1		**54**
Thoracic Medicine	45	5	(1)	0	1		**50**
Other	1236	104	(83)	0	0	306	**1,563**
Total Unrestricted Funds	**5,180**	**1,977**	**(749)**	**0**	**82**	**306**	**6,796**

Transfers: During 2020/21 there were no transfers between funds.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Details of material funds - Unrestricted Funds (continued)

13.6 Description of funds

Medical Equipment purposes (incl CHoICE donation)	-	Larger items of medical equipment funded from CHoICE donations.
COVID 19	-	Trustwide in accordance with the objects of the Charity and conditions set by NHS Charities Together (incl Captain Sir Tom Moore distributions).
General Purposes	-	Trustwide in accordance with the objects of the Charity.
Paediatric department	-	Equipment and patient amenities across Paediatrics
NeoNatal Unit	-	Equipment and patient amenities for the Neonates service
Rise Above Cancer formerly Cancer Support - Macmillan	-	Information, support and complimentary therapy treatment rooms on Sunderland Royal and South Tyneside District hospital sites
SRH Coronary Care	-	Equipment, patient amenities, training within the Unit.
Glaucoma purposes	-	Incorporating the GRAD@S fund, for glaucoma service purposes including research and development
Maternity Unit	-	Equipment for the maternity unit and purposes in accordance with the objects of the Charity
GRAD@S	-	Glaucoma research and development in Sunderland.
Coronary Care Unit	-	For expenditure in accordance with the objects of the Charity.
Clinical Haematology (formerly called Blood Disorders)	-	Equipment, education and patient care in Clinical Haematology.
Phoenix Unit - Chemotherapy	-	Equipment and patient amenities within the Unit - relocated
SEI General Purposes		For Eye Infirmary benefit in accordance with the objects of the Charity.
Diabetes purposes Legacy	-	For expenditure in accordance with the objects of the Charity.
SRH Ward D46 Stroke (previously located on ward E58)	-	Equipment and patient amenities within the ward
Orthopaedic Department	-	Equipment, training and education within the department.
Elderly Mediine Wards	-	For expenditure in accordance with the objects of the Charity.
Pharmacy department	-	Equipment, training and education within the department.
Renal purposes	-	For expenditure in accordance with the objects of the Charity.
MS fund	-	To develop Multiple Sclerosis services.
STDH Cardiology bequests	-	For expenditure in accordance with the objects of the Charity.
Staff Lottery (formerly District Lottery Suspense)	-	Staff lottery draw - to benefit STSFT healthcare provision.
ENT/SALT purposes	-	For purposes including Head and Neck cancer services
Diagnostic Imaging departmen	-	Relating to Radiology and Medical Physics.
South Tyneside Community Planned Care	-	For expenditure in accordance with the objects of the Charity.
SRH Cardiology	-	For expenditure in accordance with the objects of the Charity.
Gynaecology purposes	-	For expenditure in accordance with the objects of the Charity.
Thoracic Medicine	-	For expenditure in accordance with the objects of the Charity.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Trustee and Connected Persons Transactions **14**

14.1 Recharges from Corporate Trustee

STSFT, as Corporate Trustee of the Charity, incurred rechargeable expenditure on behalf of the Charity amounting to £790,403 (£811,545 2019/20 re CHS, £165k 2019/20 re ST). The rechargeable expenditure relates to the Charity's objectives, and represents the majority of the resources expended as shown in note 6.1.STSFT does not recharge any costs for services provided by its Directors.

An amount of £86,615 is included within payables for outstanding transactions not yet reimbursed. (£480,088 payable 2019/20 relating to the former City Hospitals Sunderland charity and £133,513 payable 2019/20 relating to the former South Tyneside Charitable Fund).

14.2 Analysis of Contributions to NHS

The Charity provided the following capital donations to STSFT:

	STS	Combined Total
	2021	2020
	£000	£000
Equipment	381	635
Fixtures and Fittings	0	9
IT equipment	0	46
Buildings	83	62
	464	752

14.3 Trustee Indemnity Insurance

No indemnity insurance was provided to the Trustee in the year to 31st March 2021 (2019/20 Nil).

14.4 Related Party Transactions

The Charity has made revenue and capital donations to its Corporate Trustee, STSFT. The Corporate Trustee, which is the ultimate controlling party, consists solely of members of the Board of Directors who assume responsibility and accountability for the Charity.

During the year, none of the Directors or members of the key management staff or parties related to them has undertaken any private transactions with the South Tyneside and Sunderland NHS Foundation Trust Charitable Funds.

No member of the Board of Directors has been reimbursed "out of pocket" expenses by the Charity.

There were no loans or guarantees secured against assets of the Charity in the year to 31st March 2021 (2019/20 Nil).

The Charitable Funds received a donation of £1,000,000 (2019/20 £300k) from City Hospitals Independent Commercial Enterprises Ltd (CHoICE), which is the subsidiary of STSFT.

The Charitable Funds did not requisition any goods via CHoICE, but CHoICE did contract building services £83k , (19/20: nil re CHS, £62k re ST)

Internal audit services are provided by AuditOne. David Barnes, Non - Executive Director is also Chairman of AuditOne.

Services provided to the Charity by AuditOne during the financial year 2020/21 were £nil (19/20: nil re CHS , £2k re ST).

14.5 Post Balance Sheet Event

There are no post balance sheet events

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES YEAR ENDED 31 MARCH 2021

	City Hospitals Sunderland				South Tyneside				Combined Charitable Funds
	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	Total 2019/20 Funds £000	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	Total 2019/20 Funds £000	**Total 2019/20 Funds £000**
Income from:									
Donations & Legacies	869	2	0	871	36	0	0	36	**907**
Charitable Activities	75	0	0	75	2	0	0	2	**77**
Other Trading Activities	7	0	0	7	0	0	0	0	**7**
Investments	54	4	1	59	37	3	0	40	**99**
Total Income	1,005 0	6	1	1,012	75	3	0	**78**	**1,090**
Expenditure on:									
Raising Funds	(60)	(1)	0	(61)	0	0	0	0	**(61)**
Charitable Activities	(1,156)	(1)	0	(1,157)	(117)	(1)	0	(118)	**(1,275)**
Total Expenditure	(1,216)	(2)	0	(1,218)	(117)	(1)	0	**(118)**	**(1,336)**
Net (Loss)/ Gain on investments	(214)	(15)	0	(229)	5	0	0	5	**(224)**
Net (Expenditure)/ Income	**(425)**	**(11)**	**1**	**(435)**	**(37)**	**2**	**0**	**(35)**	**(470)**
Transfer between funds	0	1	(1)	0	0	0	0	0	
Net movement in funds	**(425)**	**(10)**	**0**	**(435)**	**(37)**	**2**	**0**	**(35)**	**(470)**
Reconciliation of Funds:									
Total funds brought forward	4,345	178	159	4,682	1,295	67	1	1,363	**6,045**
Total funds carried forward	**3,920**	**168**	**159**	**4,247**	**1,258**	**69**	**1**	**1,328**	**5,575**

BALANCE SHEET AS AT 31 MARCH 2020

	City Hospitals Sunderland				South Tyneside				Combined Charitable Funds
	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	Total 2019/20 Funds £000	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	Total 2019/20 Funds £000	Total 2019/20 Funds £000
Non current assets									
Investments	1,988	116	0	**2,104**	0	0	0	**0**	**2,104**
Total non-current assets	1,988	116	0	**2,104**	0	0	0	**0**	**2,104**
Current assets									
Investments					1132	25	1	1158	**1,158**
Trade and other receivables	20	0	0	**20**	12	0	0	12	**32**
Cash and cash equivalents	2,494	52	159	**2,705**	277	46	0	323	**3,028**
Total current assets	2,514	52	159	**2,725**	1,421	71	1	**1,493**	**4,218**
Current liabilities									
Trade and other payables	(582)	0	0	**(582)**	(163)	(2)	0	**(165)**	**(747)**
Net current assets	1,932	52	159	**2,143**	1,258	69	1	**1,328**	**3,471**
Total net assets	**3,920**	**168**	**159**	**4,247**	**1,258**	**69**	**1**	**1,328**	**5,575**
Retained funds of the Charity									
Endowment Funds	0	0	159	**159**	0	0	1	**1**	**160**
Restricted Income Funds	0	168	0	**168**	0	69	0	**69**	**237**
Unrestricted Income Funds	3,920	0	0	**3,920**	1,258	0	0	**1,258**	**5,178**
Total retained funds	**3,920**	**168**	**159**	**4,247**	**1,258**	**69**	**1**	**1,328**	**5,575**