THE LIVERPOOL HEART AND CHEST HOSPITAL CHARITY

England & Wales · Charity number 1052813

Details

Other names	THE CARDIOTHORACIC CENTRE - LIVERPOOL CHARITY, LHCH Charity, LIV HRT CHST HOSP NHSFT, THE HEART APPEAL, THE MERSEYBEAT APPEAL
Status	Registered
Legal form	Other
Registered	1996-02-09
Register	View on the Charity Commission register

Contact

Address	Liverpool Heart & Chest Hospital Thomas Drive Liverpool Merseyside L14 3PE
Phone	01516001409
Email	enquiries@lhchcharity.org.uk
Website	www.lhchcharity.org.uk

Activities

Objects: FOR ANY CHARITABLE PURPOSE OR PURPOSES RELATING TO THE NATIONAL HEALTH SERVICE WHOLLY OR MAINLY FOR THE SERVICE PROVIDED BY THE LIVERPOOL HEART AND CHEST HOSPITAL NHS TRUST

Activities: Funds are applied to Research into diseases of the heart and lungs;Enhanced welfare and amenities available to staff and patients;Purchase of invaluable additional medical equipment;Provide education opportunities for our staff to develop their clinical techniques to further improve patient care;Robert Owen House providing inexpensive overnight accommodation to patient relatives

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Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations, Sponsors Or Undertakes Research
- **What:** General Charitable Purposes, Education/training, The Advancement Of Health Or Saving Of Lives
- **Who:** The General Public/mankind

Geography

- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£634,738	£573,166	£1,276,936	0
2024-03-31	£729,639	£1,170,420	£1,228,817	4
2023-03-31	£692,612	£1,016,030	£1,519,774	2
2022-03-31	£557,374	£937,292	£1,866,514	2
2021-03-31	£1,321,480	£982,171	£2,161,042	2

Trustees

Name	Role	Appointed
LIVERPOOL HEART & CHEST HOSPITAL NHS FOUNDATION TRUST		

Linked charities

- LIVERPOOL HEART AND CHEST HOSPITAL HEART APPEAL (1052813-1)

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THE LIVERPOOL HEART AND CHEST HOSPITAL CHARITY

England & Wales - Charity number 1052813

Accounts

Liverpool Heart and Chest Hospital Charity

Annual Report 2024/25

LHCH charity

Caring for people with heart and lung disease

Charity Registration Number 1052813

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LHCH charity

Caring for people with heart and lung disease

Chairman's welcome

Welcome to our Annual Report for 2024/25.

Liverpool Heart and Chest Hospital Charity exists to support Liverpool Heart and Chest Hospital in all that it does. Whether this is the purchasing of the latest and best equipment, providing funds for additional facilities for our patients and their families or supporting new and ground breaking research.

The charity, like many others, continues to operate in a difficult economic climate. Despite this our fantastic supporters have helped us raise nearly £635,000 during the year - helping us to make a real difference to the lives of our patients, their families and our staff.

Some examples of the charity's work this year include the provision of two new ultrasound machines enabling the speedy delivery of intravenous antibiotics for patients living with Cystic Fibrosis, support for an educational Virtual Reality system for training medical and associated professionals, the purchase of specialist software to provide clearer imaging of the heart for patients with Adult Congenital Heart Disease and the refreshing of Robert Owen House the patient family accommodation centre for those who have travelled with their loved ones to access our specialist services.

Of course, none of this would have been possible without the on-going support of our valued donors. Whether they challenge themselves in a tough mudder, run marathons, climb mountains or jump out of aeroplanes – or simply send a donation. We owe them a huge debt of gratitude and thanks.

JOHN DOYLE
Chair
LHCH Charity

Key highlights of our year

- Over £330,000 distributed in grants across the three main aims of the charity.
- Over 10,000 people (patients, families and staff) benefitted from charity support.
- Regular giving increased by 5% and Lottery players increased by 5%
- Contactless giving boards introduced across the hospital site and being well used
- Most successful Christmas Campaign ever organised raising £70,000 to benefit Cystic Fibrosis patients

Who we are

The Object of LHCH Charity is:-

"For any charitable purpose or purposes relating to the National Health Service wholly or mainly for the service provided by Liverpool Heart and Chest Hospital NHS Foundation Trust."

Aims of LHCH Charity:-

LHCH Charity aims to support Liverpool Heart and Chest Hospital in its care and treatment of patients, their families, and staff by:

The latest and the best
LHCH Charity ensures that wherever possible our dedicated medical staff have access to the very latest and best equipment and training. In this way we can ensure that our patients are always receiving the most up to date treatments available.

Tomorrow's medicine today
Research undertaken at Liverpool Heart and Chest Hospital could change the way heart and lung medicine is practised in the future. LHCH Charity supports these developments which help to change the future for generations to come.

Extending the excellence
Providing additional amenities and support for our patients, their families, and our staff. A prime example of this is supporting family members who have loved ones receiving end of life care with the provision of parking passes so that is one less thing they have to worry about.

By doing this LHCH Charity ensures that its legal purpose is fulfilled

How we achieve our aims

The strategy for achieving our aims breaks down into two separate strands:-

1. Working with the hospital and medical staff to identify areas of support which meet the aims and objectives of the hospital.

2. Developing fundraising strategies to achieve successful completion of campaigns for the identified areas.

1) Identification of areas for support

LHCH Charity, in conjunction with the Charity Steering Group, Charitable Funds Committee and the Executive Team of the hospital, identify projects that have criteria which fit within the three main aims. The projects are broken down by size in terms of cost into short, medium or longer term projects.

In addition, each of the Funds which sit underneath the charity umbrella have been requested to complete a form indicating how they propose to spend monies within each 12-month period. The recommendation for each Fund is that, in line with best practice, at least 33% of the Fund's opening balance is spent within the year – unless they are planning on accumulating funds towards a specific service or item of equipment.

2) Fundraising Strategy for identified projects.

The Head of Fundraising produces a yearly strategy which identifies the potential for fundraising for the short term aims (usually required within the financial year) as well as providing details of plans for achieving medium and long-term goals.This strategy includes Income and Expenditure projections as well as a Fundraising Ratio Cost. This is approved by the Charitable Funds Committee and then ultimately the Corporate Trustee.

The Fundraising Strategy is then evaluated at each meeting of the Charitable Funds Committee in relation to its progress in achieving the support required for each of the projects.

How LHCH Charity fundraises

LHCH Charity is guided in all of its fundraising by the Code of Fundraising Practice. Campaigns are run and managed by the charity's staff. The charity does not work with professional fundraisers or commercial participators in generating funds.

LHCH Charity and Social Investment

LHCH Charity was not involved in any social investment during the past 12 months.

LHCH Charity and Grant Making.

LHCH Charity was not involved in making grants to external organisations during the past 12 months but did make grants to internal projects as per our aims and objectives.

LHCH Charity and donated goods, services, and volunteers.

The charity does occasionally receive goods for re-sale at its offices in the hospital. These are recorded as gifts in kind items and processed through the till with other purchased merchandises. If a gift equalling more than £1,000 is received, then this is reported to the Charitable Funds Committee for noting.

The charity did not work with any volunteers during the past 12 months.

Public Benefit

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

The focus of our activities is to benefit the public who utilise the services of Liverpool Heart and Chest NHS Foundation Trust. This hospital mainly serves the communities of Merseyside, Cheshire, North Wales, Lancashire, and the Isle of Man, all of whom have equal access to its facilities. Charitable expenditure is made by way of direct grants to Liverpool Heart and Chest Hospital NHS Foundation Trust, to enhance the patient care already provided.

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

During the year, the funds raised were distributed to provide a wide range of benefits, over and above, what would be expected from statutory sources to our patients, their families, and our staff.

By providing these grants the agents of the Corporate Trustee have complied with their duty to have due regard to the guidance on public benefit published by the Charities Commission in exercising their powers or duties.

Our achievements

The latest and the best

Support for Cystic Fibrosis Patients

Liverpool Heart and Chest Hospital is a nationally and internationally recognised centre of excellence for the care of people with Cystic Fibrosis (CF). CF is an inherited condition where a faulty gene affects the production of the slippery mucus that protects the organs. People living with CF have an "over-production" of this mucus which can damage organs, particularly the lungs and causes repeated chest infections.

These infections can often lead to lengthy stays in hospital as medical teams seek to find the very best ways of treating the infections using the most potent mixture of antibiotics. These antibiotics are delivered intravenously (using a vein). However as this is a process that is repeated many times veins inevitably become harder to locate which delays the care that they need.

Thanks to the help of our supporters, we were able to purchase two new ultrasound machines which provide real time guidance in the location of viable veins so that the potentially life-saving care that they need can be provided as rapidly as possible.

Extending the excellence

A clearer view

The Adult Congenital Heart Disease service at LHCH is one of the largest units in the world and each and numbers are expected to grow with an estimated 1,500 to 2,500 new patients annually.

Many of these young people will have had multiple surgical procedures during their childhood leaving their hearts more fragile to traditional operations. So, there is an increasing need to provide minimally invasive procedures to correct abnormalities using catheterisation. The key to the success of these procedures, especially for those whose hearts may not be a "standard" shape or size is having detailed images of the heart prior to any procedures.

LHCH Charity helped the service by supporting the purchase of a specialist piece of software which provides a 3D and extremely detailed images of the heart allowing interventional cardiologist to make clear decisions about treatment as well as making procedures more accurate and quicker – allowing us to care for more patients.

Tomorrow's Medicine Today

The future is virtual

Virtual Reality and Simulation are playing an increasingly important part in the training and education of not only medical students but qualified professionals and whole teams by replicating real life scenarios in a completely patient safe environment. It allows for the testing of systems to ensure they are robust and allows for the measurement of training and educational progress for both individuals and teams alike.

As part of its support of medical training and education LHCH Charity has supported the purchase of a Virtual Reality Display System which can be used as a "proof of concept" tool to incubate ideas for research or clinical applications as well as providing educational and training benefits to all staff.

Monitoring our Performance

LHCH Charity, through the Charitable Funds Committee and ultimately the Corporate Trustee, benchmark its performance in a number of ways: -

- It identifies fundraising projects and measures its fundraising achievement against the target set for the completion of each project.
- It reviews the external factors which may affect the charity including national and local economic forecasts.
- It provides comparator information with similar charities and measures itself against them in terms of performance, percentage fundraising costs and return on investment.

Despite the difficult economic conditions LHCH Charity continued to make good progress with its income reaching a target of £635,000 during the year – despite a fall in legacy income of some £50,000.

This was raised from a good balance of major gifts from charitable trusts, legacies, companies, and donations from our supporters.

How our supporters helped

Our supporters continue to provide outstanding assistance in helping LHCH Charity make a difference for our patients, their families, and our staff. During the year they showed, once again, that they would go to extraordinary lengths to raise funds including: -

E Viva Espana!

Running 26.2 miles in the scorching Spanish sun in Ibiza isn't everyone's idea of a wonderful time but to honour the memory of a close family friend that's just what Jack Riley did. Completing the course in 3 ½ hours and raising a fantastic £1,425 in the process.

Jack said: "The heat was ruthless, and I was struggling to walk two days after the race, but it was worth it to support your wonderful charity."

Well, we think you are pretty wonderful too Jack!

Cerrigydrudion Parties On!

After his first attempt at organising a Charity Night to thank LHCH for the care he received following an aortic valve replacement was thwarted by Covid, Guto Goddard finally got to say his "Thank You" in September 2023.

Guto says: "It was an incredible evening with a raffle, auction, dancing, and live music from the "Second Sons " who brought the house down! In fact, I think I can say it's one of the best charity nights I have ever been too."

We want to thank all Guto's friends, family and in fact the whole village who all turned up at the White Lion for the event – raising nearly £3,000 in the process! To add to the total Guto's mum Margaret who turned 80 this year raised a further £800 at her own birthday celebration. What a family and what a village – you are all amazing!!!

Grant's Second Chance at Life

Royal Navy Veteran and Fitness Instructor Grant Williams was rushed to LHCH after he collapsed on a run with his group who were training for the Manchester Marathon. On arrival it was found that all four main arteries to his heart were blocked and he needed a quadruple bypass – an operation which lasted 5 ½ hours.

Since his recovery Grant has dedicated himself to raising as much as he can for the hospital that saved his life. After initially setting himself a target of £10,000 he has now raised an incredible £16,000 and he still going strong. We can't thank him enough for all his truly marvellous support.

Of course, not everyone ran marathons, partied the night away or just did everything they could think of! There are those who knit, bake cakes, hold family fun days, play our lottery, make a regular gift or just donate. However, you did it though your support is so valued and appreciated and our gratitude simply can't be measured. Thank you!

How You Can Help

You can get involved with LHCH Charity by:-

Ringing the Charity Office on: 0151 600 1409

Emailing us at enquiries@lhchcharity.org.uk

Writing to us at: LHCH Charity, Thomas Drive, Liverpool L14 3PE

Structure, governance and management

Charity Structure

LHCH Charity is an umbrella charity which holds a number of individual funds under one Charity Registration Number (Charity Registration Number 1052813). The overall responsibility for the running of the charity lies with the Corporate Trustee i.e., the Board of Directors of Liverpool Heart and Chest Hospital.

The Charitable Funds Committee is established as a Committee of the Board of Directors of Liverpool Heart and Chest Hospital Foundation NHS Trust in order to ensure that the Trust's duty as Corporate Trustee of its Charitable Funds has been discharged.

The Charitable Funds Committee operates within the Terms of Reference authorised by the Board of Directors of Liverpool Heart and Chest Hospital NHS Foundation Trust. The Committee has no executive powers other than those specifically delegated in its Terms of Reference which are: -

- Develop the strategy and objectives for the Charity for consideration and approval by the Corporate Trustee
- Oversee the implementation of an infrastructure appropriate to the efficient and effective running of the Charity.
- Oversee the development and delivery of the Fundraising Strategy, as aligned to the Trust's annual plan.
- Oversee the expenditure of the Charity.
- Oversee the Charity's investment plans.
- Monitor the performance of all aspects of the Charity's activities and ensure that it adheres to the principles of good governance and complies with all legal requirements.
- Act as the Committee that discharges the Board's responsibilities (as sole Corporate Trustee) as they relate to the charitable funds under the Trust's custodianship.
- Ensure that the charitable funds held by the Trust are managed in a manner consistent with the requirements of the relevant regulatory and statutory frameworks, and in accordance with the guidance on NHS Charities set out by the Charity Commission.

- When in this role act solely in the best interests of the Charity and in a manner consistent with the Charity Commission's requirements and expectations of the Corporate Trustee.
- Oversee the Charity's strategy, governance, major plans, and key risks on behalf of the Corporate Trustee.
- Establish, prioritise, and approve major fundraising projects in accordance with the strategy and approve financial expenditure items in accordance with delegated authority levels set out in Standing Financial Instructions.
- Monitor the performance of fundraising and marketing activity, ensuring that the return on investment is satisfactory and that income targets are met.
- Devise and implement an investment strategy for the charity, including the appointment and monitoring of any investment managers.
- Ensure the approval and submission of statutory returns, annual accounts, and Trustee's Report in accordance with the Charity Commission's State of Recommended Practice.
- Approve any policies and procedures required for the effective management of the Fund.
- Members of the Charitable Funds Committee attend quarterly Charitable Funds meetings.

Recruitment and appointment of Trustees

Non-Executive Members of the Board of Directors are appointed by the Council of Governors and Executive Members of the Board are subject to recruitment by the Nominations and Remuneration Committee (Executive). Members of the Board of Directors and the Charitable Funds Committee are not individual Trustees under charity law but act as agents on behalf of the Corporate Trustee.

Trustee Training and Induction.

The Trust sees Trustee training as important and has provided access to resources and materials including:

- As a member of NHS Charities Together they regularly receive updates from this source.In addition Trustees were able to attend a number of courses organised by NHSCT including "Legal Issues for Charities", "Accounting, Audit and Governance", and "Festival of Trusteeship".
- Trustees also have the opportunity to access the Resource Library provided by the Fundraising Regulator which has a wide range of guidance for Trustees.
- Trustees have regular meetings with CCLA (the Charity's Investment Managers) who provide briefings on the status of the current portfolio, the results and predicted future performance.

Trustee Duties

The Corporate Trustee fulfils its legal duty by ensuring that funds are spent in accordance with the objects of each Fund and by designating funds, the Trustee respects the wishes of our generous donors for the advancement of health or saving lives, to provide patient and staff benefit or for the advancement of education and research.

Day to Day Management

The Trust has in place a Scheme of Reservation and Delegation to support the day-to-day management of the Charity.

The Head of Fundraising oversees the day to day running of the Charity and the planning of its fundraising activities. The Head of Financial Services acts as the principal officer overseeing the day-to-day financial management and accounting for the charitable funds during the year.

The Charity does not directly employ any staff. The Charity funds staffing costs of fundraising and administrative staff who run and support the Charity. These staffing contracts are held by the Foundation Trust and recharged accordingly. Pay grades for those working within the Charity are set using NHS Pay Scales.

Related Parties

Liverpool Heart and Chest Hospital NHS Foundation Trust is the main beneficiary of the Charity and is a related party by virtue of being Corporate Trustee of the Charity. The accounts of the Charity are not consolidated into the accounts of the Trust as they are not material.

Charitable Funds

The Charity's Unrestricted Fund was established using the Model Declaration of Trust and all funds held on trust as at the date of registration were part of this unrestricted fund. Subsequent donations and gifts received by the Charity that are attributable to the original fund are added to those fund balances within the existing charity.

Risk Management

Using the NHS Trust's own Risk Register policies and procedures, the Trustees have considered potential risks to which the charity is exposed. The LHCH Charity Risk Register is reviewed annually by the Charitable Funds Committee.

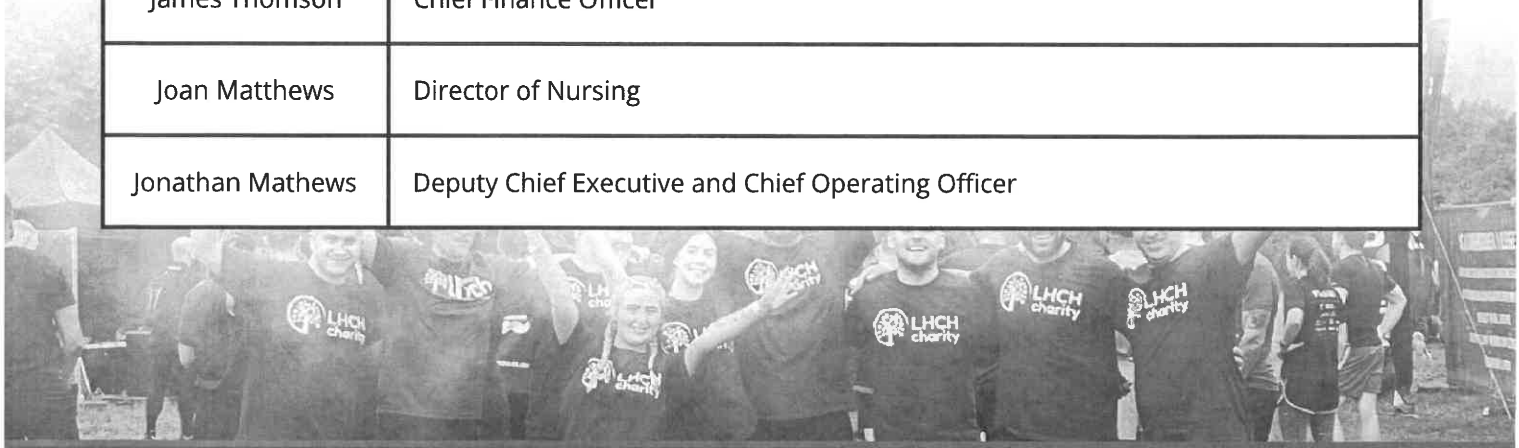
There are no major risks that have been identified.

Contact us, Trustee and Advisors

Liverpool Heart and Chest Hospital Charity
(Previous names, The Heart Appeal, the Merseybeat Appeal)
Registered Charity Number: 1052813

Members of the Liverpool Heart and Chest Hospital Board of Directors who served during the financial year were as follows:

Name	Title
Val Davies	Chair (Until 31st March 2025)
Bob Burgoyne	Senior Independent Director and Non-Executive Director (Until March 2025)
Margaret Carney	Deputy Chair and Non-Executive Director
Nicholas Brooks	Non-Executive Director
Julian Farmer	Non-Executive Director (Until July 2024)
John Doyle	Non-Executive Director
Claudette Elliott	Non-Executive Director
Anne Marie Davies	Associate Non-Executive Director
Liz Bishop	Chief Executive (Until 31st March 2025)
Manoj Kuduvalli	Medical Director
James Thomson	Chief Finance Officer
Joan Matthews	Director of Nursing
Jonathan Mathews	Deputy Chief Executive and Chief Operating Officer



Principle Financial Advisors	Investment Broker	Independent Examiner
National Westminster Bank Plc Natwest Building Brampton Road Newcastle Under Lyme ST5 0QX	CCLA Investment Management Senator House 85 Queen Victoria Street London EC4V 4ET	Xeinadin North West Limited First Floor, The Foundation, Herons Way, Chester Business Park, Chester,CH4 9GB

Responsibility for the on-going management of funds is delegated by the Corporate Trustee to the Charitable Funds Committee which administers the funds on behalf of the Corporate Trustee. The names of the people who served as agents for the Corporate Trustee, as permitted under Regulations 16 of the NHS Trust's (Membership and Procedures) Regulations 1990 were as follows:

Name	Title	
Bob Burgoyne	Senior Independent Director and Non-Executive Director	Until March 2025
Nicholas Brooks	Non-Executive Director	
Julian Farmer	Non-Executive Director (Until July 2024)	Until July 2024
John Doyle	Non-Executive Director	From July 2024
Liz Bishop	Chief Executive	(Until 31st March 2025)
James Thomson	Chief Finance Officer	

Principal office

The principal office for the Charity is:-

Liverpool Heart and Chest Hospital Charity
Thomas Drive, Liverpool, L14 3PE

For more information on LHCH Charity please visit our website at www.lhchcharity.org.uk

Financial Review

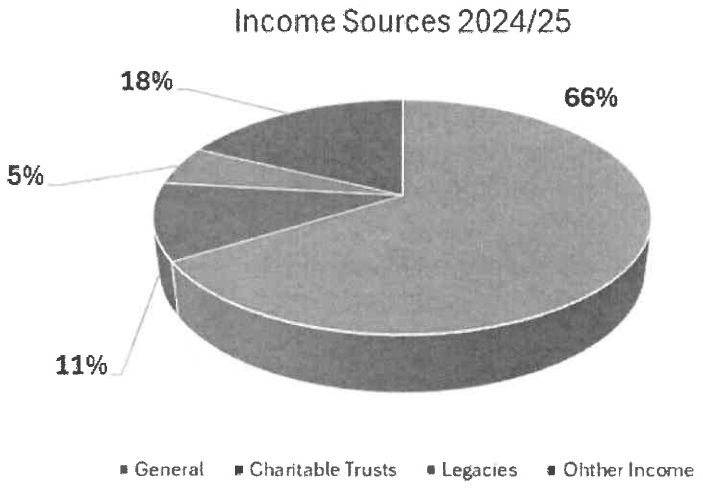
The financial statements have been prepared in accordance with the historic cost basis, with the exception of investments which are included at re-valued amounts. The financial statements have been prepared on the on-going concern basis and in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities (SORP 2015)" issued in March 2015, applicable to charities preparing their accounts in accordance with the financial reporting standard applicable in the UK and Republic of Ireland (FRS 102), effective 1st January 2015.

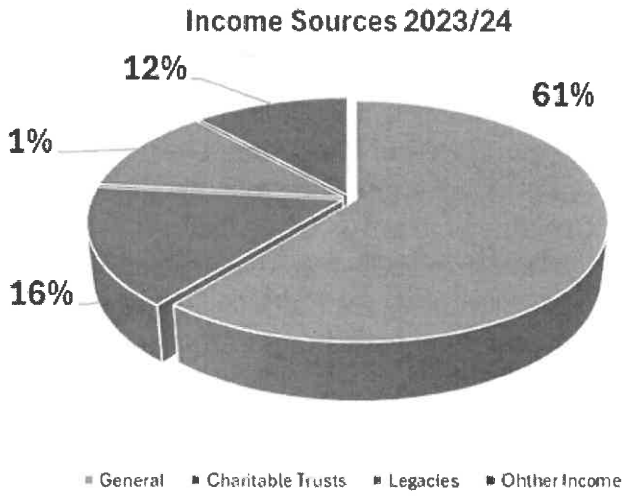
The net assets of the charitable fund as of 31st March 2025 were £1,278k (2023/24 £1,229k), an increase of £49k during the financial year. Total incoming resources this year amounted to £635k (2023/24 £729K). Legacy income was lower than the year before amounting to some £34k compared to £85k in the previous year.

Of the total expenditure of £573k (2023/24 £1,170k), expenditure on charitable activities was £331k (2023/24 £942K) and expenditure on raising funds was £238k (2023/24 £224K).

Income summary table

Income	2024-25	2023-24
General	£419,378	£443,633
Charitable Trusts	£67,500	£116,000
Legacies	£34,450	£84,763
Income from investments and other activities	£113,411	£85,041
Total	£634,739	£729,437





Going Concern

The Trustee has a reasonable expectation that the Charity has adequate resources to continue as a going concern. Expenditure is discretionary and balanced against the reserves policy requirements. Accounting for income and expenditure is on an accruals basis to ensure all committed expenditure is reflected in the reporting process, and the Charity has sufficient resources to meet all its committed expenditure for 12 months from the date that the financial statements were approved by the Charitable Funds Committee.

Reserves policy

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

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

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

Therefore, the Trustee considers it prudent that the target range of unrestricted reserves is between £500,000 and £1,500,000 to ensure that the Charity can run efficiently and meet the needs of its beneficiaries. The balance sheet shows that the unrestricted reserves is £1,278k at the end of the financial year which is within the reserves range required by the Policy.

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

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

Plans for the Future

In the coming years LHCH Charity aims to continue its work in raising funds to support Liverpool Heart and Chest Hospital. In particular during the next twelve months, we are seeking to expand our work in under-represented funding streams such as corporate income and widen our community and events activities. In addition, although planning for major capital campaigns had several setbacks during the financial year, we will continue to work with medical staff to identify potential schemes for inclusion in major fundraising.

Investment Policy

The Charity conforms to the investment powers given by the Charity Commission order for an NHS umbrella charity and the Trustee Act 2000.

Charitable funds are invested by the Chief Finance Officer in accordance with the Trust's policy and subject to statutory requirements.

The members of the Charitable Funds Committee review the performance of investment and banking at the quarterly meetings. The Committee has decided that the Charities Official Investment Fund (COIF) is to be used for the investment of charitable funds. In year, the Committee has chosen to invest their monies in the COIF Charities Ethical Fund as this aligns with the Trust values and overall strategy as there are tighter restrictions on alcohol, tobacco, and fossil fuels.

Amounts to be invested with COIF are decided by the Charitable Funds Committee. The amount originally invested in COIF was £400K. A further £300K was invested in September 2021. In May 2024 we withdrew £300k. This investment has a current market value, as of 31st March 2025 of £978k (31/03/24 £1,291k).

At the end of the financial year the charity held £615k (2023/24 £664k) in an instant access bank account. The Charity has adopted the Trust's policy on investments meaning that all cash balances must remain in a comparatively liquid form. All investments resulting must be realisable and have maturity not exceeding three months. The Charity has one investment with COIF, which can be withdrawn within seven days – in line with Trust policy.

Cash Deposits are invested in accordance with the Trust's Treasury Management Policy which has been adopted by the Charity.

Short-Term Investments should be invested with banks rated A+ Moody's rating.

Long-Term Investments should be invested with banks rated A+ Moody's rating. Dividends received are allocated to individual designated funds in proportion to their average closing balances for the relevant quarter.

The risk associated with the normal fluctuation in the value of investments are mitigated by holding investments in a diversified fund of investments and by only investing funds not required in the short or medium term.

Funds Expenditure Policy

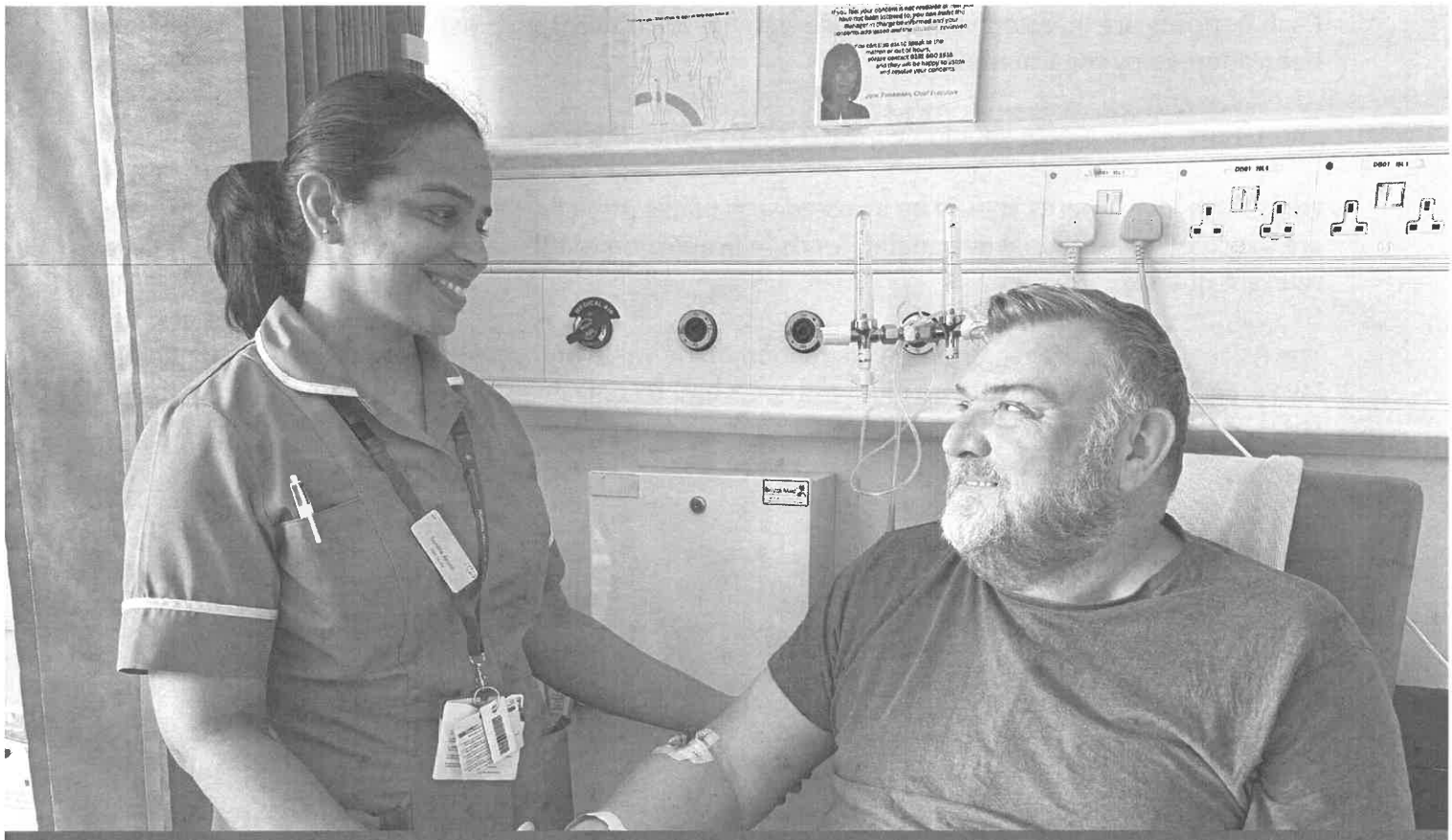
Expenditure against any Charitable Fund is conditional upon the item being within the terms of the appropriate fund and the procedures approved by the Board of Directors.

Before expenditure is incurred consideration is given to the following: -

- The funds may be used for the benefit of hospital staff (both clinical and support) as long as it is line with the objective of the fund, and it does not go beyond what a good employer would consider reasonable to provide.
- The funds cannot be used to campaign or lobby on behalf of the Trust.
- It should comply with the requirements of the Charities Act 2006 on the Public Benefit Test where there is an identifiable benefit or benefits, and this benefit must be to the public or section of the public.
- Should generally not be spent for the benefit of specific individuals.
- To supplement the remuneration (directly or indirectly) of offices.

The authorised signatories must consider the following:

- That the expenditure is within the general and specific restrictions placed upon the funds (the authorising officer must be aware of these).
- Must be applied for the purposes set out in the Governing Document.
- That the funds are not freely available from other sources.
- Must be applied with complete fairness between persons who are properly qualified to benefit from it.



xeinadin

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF LIVERPOOL HEART AND CHEST HOSPITAL

I report to the trustees on my examination of the accounts Liverpool Heart and chest Hospital (Charity No: 1052813) for the year ended 31st March 2025, which are set out on pages 20 – 32.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

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

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

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

S. Baker

Stephanie Baker BA(Hons) ACA
Xeinadin North West Limited
First Floor, The Foundation
Herons Way, Chester Business Park
Chester, CH4 9GB

24/06/2025

Annual accounts 2024/25

Trustee Responsibility Statements.

The Trustees are responsible for preparing the Trustees 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 Trustees 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 year.

In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the Charities SORP.
- Make judgements and estimates that are reasonable and prudent.
- State whether application 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 its operation.

The Trustees are responsible for keeping sufficient 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 Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust Deed. They are also responsible for safeguarding the assets for the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Signed on behalf of the trustee:

John Doyle
Chair of Charitable Funds Committee

James Thomson
LHCH Chief Finance Officer
Financial Trustee

Liverpool Heart & Chest Hospital Charity
Charity Number 1052813
Annual Accounts for year ended 2024/25

Foreword

The Charity was created in 1996 under statutory instrument

The Charity exists for any charitable purpose or other purpose relating to the NHS wholly or mainly for the service provided by Liverpool Heart & Chest Hospital NHS Foundation Trust

Statement of Financial Activities for the year ended 31 March 2025

	Note	2024-25 Unrestricted Funds £000	2024-25 Total Funds £000	2023-24 Total Funds £000
Income and endowments from:	1.3			
Donations and legacies	4.5	521	521	645
Other trading activities	4.6	12	12	12
Income from Investments		27	27	2
Income from Charitable activities	6.4	75	75	70
Total income and endowments		**635**	**635**	**729**
Expenditure on:	1.6, 1.7, 3.1, 4.1			
Raising funds	1.9, 4.2	(238)	(238)	(224)
Charitable activities	4.3	(331)	(331)	(942)
Other expenditure	4.4	(4)	(4)	(4)
Total expenditure		**(573)**	**(573)**	**(1,170)**
Net gains/(losses) on investments	6.3	(13)	(13)	150
Net income/(expenditure) and net movement in funds		**49**	**49**	**(291)**
Reconciliation of funds:				
Total funds brought forward		**1,229**	**1,229**	**1,520**
Total funds carried forward		**1,278**	**1,278**	**1,229**

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

Balance Sheet as at 31 March 2025

	Notes	Total at 31 March 2025 £000	Total at 31 March 2024 £000
Fixed Assets			
Investments	1.10, 6.1, 6.2	978	1,291
Total Fixed Assets		978	1,291
Current Assets			
Debtors	7.1	3	6
Stock		11	5
Cash at bank and in hand		615	664
Total Current Assets		629	675
Creditors: Amounts falling due within one year	8.1	(329)	(737)
Net Current Assets		300	(62)
Total Assets less Current Liabilities		1,278	1,229
Total Net Assets		**1,278**	1,229
Funds of the Charity			
Income Funds:			
Unrestricted	9.0	1,278	1,229
Total Funds		**1,278**	**1,229**

The Financial statements on pages 20 to 32 were approved by the Trustee and authorised for issue on and are signed on their behalf by:

Signed:

Date: 24th June 2025

Statement of Cash Flows for the year ended 31 March 2024

	2024-25 Total Funds £000	2023-24 Total Funds £000
Cash flows from operating activites:		
Net cash provided by (used in) operating activities	(376)	152
Cash flows from investing activities:		
Dividends and interest from investments	27	2
Proceeds from disposal of investments	300	0
Net cash provided by (used in) investing activities	327	2
Change in cash and cash equivalents in the reporting period	(49)	154
Cash and cash equivalents at the beginning of the reporting period	664	510
Cash and cash equivalents at the end of the reporting period	615	664

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

	2024-25 £000	2023-24 £000
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	49	(291)
Adjusted for:		
(Gains)/losses on investments	13	(150)
Dividends and interest from investments	(27)	(2)
(Increase)/decrease in stock	(6)	1
(Increase)/decrease in debtors	3	(3)
Increase/(decrease) in creditors	(408)	597
Net cash provided by (used in) operating activities	(376)	**152**

Analysis of cash and cash equivalents:

	2024-25 £000	2023-24 £000
Cash at bank and in hand	615	664
Total cash and cash equivalents	**615**	**664**

Notes to the Accounts

Accounting Policies **1**

1.1 Accounting Convention

The financial statements have been prepared on the basis of historic cost convention, as modified for the revaluation of certain investments. The financial statements have also been prepared 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 (FRS 102) (effective 1 January 2019) and applicable UK accounting standards and the Charities Act 2011, as amended by the Charities Act 2022.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

1.2 Going Concern

At the time of approving te financial statements, the Trustees have a reasonable expectation that the Charity has adequate resourses to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in prepering the financial statements.

1.3 Funds Structure

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. Liverpool Heart & Chest Hospital Charity does not have any expendable endowments.

Unrestricted income funds comprise those funds which the Trustee is free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds, where the donor has made known their non binding wishes or where the Trustee, at their discretion, have created a fund for a specific purpose.

1.4 Income Recognition

All incoming resources are included in full in the Statement of Financial Activiti as soon as the following three factors can be met:

i) entitlement - arises when control over the rights or other access to the economic benefit has passed to the Charity;
ii) probable - when it is more likely than not that the economic benefits associated with the transaction or gift will flow to the Charity; and
iii) measurement - when the monetary value or amount of the income can be measured reliably and the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

1.5 Income from Donations and Legacies

Legacies are accounted for as incoming resources either upon receipt or where the receipt of the legacy is normally probable. This will be when:

i) there has been a grant of probate;
ii) the executors have established that there are sufficient assets in the estate, after settling any liabilities, to pay the legacy; and
iii) any conditions attached to the legacy are either within the control of the charity or have been met.

There are no material legacies which have been notified but not recognised as incoming resources in the Statement of Financial Activities.

1.6 Income from Donations and Legacies (cont'd)

a) Donations

i) All funds are unrestricted but may be designated. These include donations where particular parts of Liverpool Heart and Chest Hospital or its activities were nominated by the donor at the time that the donation was made. Whilst nomination is not binding on the Trustee, the designated funds reflect these nominations. The Charity does not have any restricted funds.

ii) Where a preference is not expressed by the donor then the donation is applied to Liverpool Heart and Chest Appeal which has four key elements to our

- To raise funds for key pieces of medical equipment

- To develop the Enhancing the Healing Environment programme

- To support patient centred research

- To continually invest in our staff to improve their clinical techniques so that we can provide our patients with an unrivalled patient experience.

iii) Where possible the Trust reclaims tax on donations through the Gift Aid scheme.

1.7 Income from Charitable activities

a) Robert Owen House Accommodation Income

i) Robert Owen House provides inexpensive overnight accommodation for relatives and friends of patients. Income received is applied to the upkeep and day to day running costs of the house.

ii) Robert Owen House accommodation income is credited to incoming resources from Charitable Activities within the Statement of Financial Activities.

iii) Robert Owen House Income is credited net of VAT based on the date of

iv) The Charity has treated income from Robert Owen House as Primary Purpose Trading and as such the profits are exempt from tax.

1.8 Financial instruments

The Charity has elected to apply the provisions of Section 11 "Basic Financial Instruments" and Section 12 'Other Financial Instruments issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets basic minancial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently cared at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised

Debt instruments are subsequently carried at amortised cost, using effective interest rate method.
Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities
Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

1.9 Expenditure

The funds held on Trust accounts are prepared in accordance with the accruals concept. All expenditure is recognised when all of the following criteria are met:

i) obligation - a present legal or constructive obligation exists at the reporting date as a result of a past event;
ii) probable - it is more likely than not that a transfer of economic benefits, often cash, will be required in settlement; and
iii) measurement - the amount of the obligation can be measured or estimated reliably.

Grants are mainly made to Liverpool Heart and Chest Hospital NHS Foundation Trust in furtherance of the charitable objects of the funds. A liability for such grants is recognised when approval had been given by the Trustee. The Foundation Trust has full knowledge of the plans of the Trustee, therefore a grant approval is taken to constitute a firm intention of payment which has been communicated to the Foundation Trust, and so a liability is recognised.

Expenditure on raising funds comprises the costs associated with attracting voluntary income.

Expenditure on Charitable activities comprises those costs incurred by the Charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and any costs of an indirect nature necessary to support them.

Governance costs include only those costs associated with meeting the constitutional and statutory requirements of the charity and include audit fees and costs linked to the strategic management of the charity.

1.10 Irrecoverable VAT

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

1.11 Governance Costs

Establishment costs and Audit fees are apportioned to resources expended based on the value of transactions within each cost category at the end of the year.

1.12 The Costs of Raising Funds

These costs are salaries and other expenses associated with the Liverpool Heart and Chest Charity Fundraising Team and day to day expenses incurred in running Robert Owen House.

1.13 Fixed Asset Investments

Fixed asset investments are initially measured at transaction price ecluding transaction costs, and are subsequently measured at fair value at each reporting date. Transaction costs are expensed as incurred. Changes in fair value are recognised in other recognised gains and losses except to the extent that a gain reverses a loss previously recognised in net income expenditure, or a loss exceeds the accumulated gains recognised in equity; such gains and loss are recognised in net income/(expenditure) for the year.

1.14 Change in the Basis of Accounting

There has been no change in the basis of accounting this financial year.

1.15 Stock

Stock are items that will be used by the charity in providing goods & services. Stock includes goods held for distribution.

1.16 Taxation

The charity is exempt from corporation tax on its charitable activities.

2.0 Related Party Transactions

Under the guidance provided by the Financial Reporting Standard 8, Liverpool Heart & Chest Hospital NHS Foundation Trust is a related party as it is the Corporate Trustee of the charity. During the year the charity has had a number of material transactions with Liverpool Heart & Chest Hospital NHS Foundation Trust (e.g. grant

The Foundation Trust is the sole Trustee of the Liverpool Heart and Chest Charity and as such is considered to be a related party. During the year ended 31 March 2025, the Charity incurred £309k in expenditure and received £0k of income with the NHS Foundation Trust. Amounts owed by the Foundation Trust at 31 March 2025 were £0k and amounts owed to the Foundation Trust were £329k.

The Charitable Trust has made revenue payments to Liverpool Heart & Chest Hospital NHS Foundation Trust where agents of the Corporate Trustee (whose names are listed below) are also members of the Trust Board.

Bob Burgoyne - Chair of Charitable Funds Committee
John Doyle - Non Executive Director
Dr Liz Bishop - Chief Executive
James Thomson - Chief Finance Officer
Nick Brooks - Non Executive Director
Julian Farmer - Non Executive Director - Left 31st May 2024

The Trustees did not receive any remuneration for work performed in relation to the Charity (2023-24: £nil).

Grants made to institutions 3.1

Name of recipient and number of grants	Aggregate amount paid 2025	Aggregate amount paid 2024
	£000	£000
Total resources expended	(573)	(1,170)
Less cost of generating funds	223	217
Less admin/audit and bank charges	41	41
Liverpool Heart & Chest Hospital NHS FT Trust	**(309)**	**(912)**

Analysis of Support Costs 4.1

Support costs are reapportioned across expenditure. The apportionment is based on the value of transactions within each of the expenditure categories reported.

The total value of support costs incurred in the reporting period is £37k (23/24 £36k) and comprises £1k (23/24 £1k) Establishment costs, £2k (23/24 £2k) independent examiners fee, £2k (23/24 £1k) Insurane costs and £32k (23/24 £32k) Staffing Costs.

Expenditure on Raising Funds 4.2

	Total costs 2025 £000	Total funds raised 2025 £000	Total costs 2024 £000	Total funds raised 2024 £000
Fund raising costs	(238)	635	(224)	730
	(238)	**635**	**(224)**	**730**

Included within the cost of raising funds are the following staff costs:

	Net Cost	National Insurance Employer	Pension Employer	Gross Cost 2025 £000	Gross Cost 2024 £000
Fundraising Staff	**150**	**16**	**10**	**176**	**168**

The average number of staff employed during the year was 4 (2023/24: 4).

Robert Owen House Supplies has been reclassified as a charitable activities expenditure.

Charitable activities 4.3

	Total 2025 £000	Total 2024 £000
Staff Welfare	(60)	(244)
Contribution to Liverpool Heart & Chest research	(27)	(21)
Purchase of new equipment	(15)	(459)
Patient welfare	(24)	(50)
Education, training and research expenses	(4)	(19)
New building and refurbishment	0	0
Robot Running Costs	(28)	(52)
Symposium Expenditure	(71)	(11)
Robert Owen House Repairs	(26)	(7)
Robert Owen House Supplies	(56)	(79)
Robert Owen House Salaries	(20)	0
	(331)	(942)

Other expenditure 4.4

	Total 2025 Funds £000	Total 2024 Funds £000
Miscellaneous expenditure	(4)	(4)
	(4)	(4)

Note: Miscellaneous expenditure mainly consists of bank charges.

Donations and legacies **4.5**

	Total 2025 £000	Total 2024 £000
Donations	(311)	(417)
ROH Donations	(40)	(30)
Legacies	(34)	(85)
Just Giving/Events	(99)	(93)
Donations Research	(25)	(20)
Donation Symposium	(12)	0
	(521)	(645)

Other trading activities **4.6**

	Total 2025 £000	Total 2024 £000
LHCH Merchandise	(12)	(12)
	(12)	(12)

Net movement in Funds **5**

	Total 2025 Funds £000	Total 2024 Funds £000
Opening Balance	1,229	1,520
Closing Balance	1,278	1,229
Net movement in funds for the year	49	(291)
Net movement in funds available for future activities	**49**	**(291)**

Analysis of Fixed Asset Investments **6** **6.1**

Fixed Asset Investments:	2025 £000	2024 £000
Market value at 1st April	**1,291**	1,142
Disposal of Investment	**(300)**	0
Net gain/(loss) on revaluation	**(13)**	149
Market value at 31 March	**978**	**1,291**
Historic cost at 31 March	**538**	700

6.2 Market value at 31 March :

	Held in UK £000	2025 Total £000	2024 Total £000
Investments in a Common Deposit Fund / Common Investment Fund	978	**978**	1,291
	978	**978**	1,291

Analysis of gross income from investments **6.3** Total gross income

	Held in UK £000	2024-25 Total £000	2023-24 Total £000
Investments in a Common Deposit Fund / Common Investment Fund	(313)	(313)	149
	(313)	**(313)**	149

6.4 Income from Charitable activities

	2024-25 Total £000	2023-24 Total £000
Income from Robert Owen House accommodation/telephone charges and fundraising sales	75	70
	75	70

6.5 Other income

	2025 Total £000	2024 Total £000
Interest on short term deposit	26	2
	26	2

The Corporate Trustees adopted the Treasury Management Policy of Liverpool Heart & Chest Hospital NHS FT in respect of investments. The majority of cash balances are placed with Natwest (Government Banking Service), which attracts an interest rate of 5.14%.

Analysis of Debtors **7** Debtors (including trade debtors and loans receivable) are measured on initial recognition at settlement amount after any trade discounts or amount advanced by the charity. Subsequently, they are measured at the cash or other consideration expected to be received.

7.1

	2025 £000	2024 £000
Donations and legacies	0	3
Prepayments	3	3
Total debtors falling due within one year	3	6
Total debtors	3	6

Analysis of Creditors **8** The charity has creditors which are measured at settlement amounts less any trade discounts.

8.1

Amounts falling due within one year:	2025 £000	2024 £000
Accruals	(73)	(375)
VAT	(4)	(2)
Balance owed to Liverpool Heart & Chest	(252)	(360)
Total creditors falling due within one year	(329)	(737)
Total creditors	(329)	(737)

Details of charitable funds 9.0

	Name of fund	Balance b/fwd 01 April 2024 £000	Incoming resources £000	Resources expended £000	Gains and (losses) £000	Balance c/fwd 31 March 2025 £000
	Material designated funds					
A	Robert Owen House	210	112	(104)	(43)	175
B	LHCH Charity	392	252	(320)	(135)	189
C	Cystic Fibrosis	85	3	(3)	(24)	61
D	Lung Cancer	102	2	(3)	(29)	72
E	Cardio-Oncology Fun	-	139	(7)	52	184
F	Cherry Ward	53	3	(1)	(26)	29
	Total material designated	842	511	(438)	(205)	710
	Misc. designated	387	117	(135)	199	568
	Total charitable funds	**1,229**	**628**	**(573)**	**(6)**	**1,278**

Material funds are deemed at being in excess of £50,000
Robert Owen House provides inexpensive relatives accommodation.
The LHCH Charity is for any charitable purpose or purposes relating to services provided by LHCH NHS FT.
The Cystic Fibrosis fund facilitates education and research into adult Cystic Fibrosis and provides support for patients with this condition.
The Lung Cancer funds facilitates education and research into adult lung cancer and provides support for patients with this condition.
The Cardio-Oncology fund provides funds for specialist cardio-oncology burse post and provides training for staff.

Contingencies 10 There are no contingent losses or gains included in the accounts

Commitments, Liabilities and Provisions 11 There are no commitments, contingent liabilities or provisions included in 2024-25

11.1 There are no commitments or provisions included in the accounts

Trustee and Connected Persons Transactions 12

12.1 The Charitable Trust delivers the charitable objectives by making grants to the Liverpool Heart & Chest Hospital NHS Foundation Trust. Grants made amounted to £309k in 2024/2025 (2023/24 £913k).

At 31st March 2025, £329k was owed to the Liverpool Heart & Chest Hospital NHS Foundation Trust (2023/24 £737k).

12.2 There was no Trustee indemnity insurance during the year.

Loans or Guarantees Secured against assets of the charity 13 There were no loans or guarantees secured against assets of the Charity.

THE LIVERPOOL HEART AND CHEST HOSPITAL CHARITY

England & Wales - Charity number 1052813

Accounts

Liverpool Heart and Chest Hospital Charity

Annual Report 2023/24

LHCH charity

Caring for people with heart and lung disease

Charity Registration Number 1052813

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LHCH charity
Caring for people with heart and lung disease

Chairman's welcome

Welcome to our annual report for 2023/24.

I started our welcome last year by describing the difficult economic climate that all charities, including LHCH Charity, are working under. Although there have been some small improvements during the past 12 months the environment for charities remains challenging.

However, I am happy to say that thanks to our wonderful supporters LHCH Charity income has remained stable and has even been able to report a small increase in donations during the year. This support is vital if we are to continue to support the outstanding hospital that we work in.

During the year we have been able to considerably improve and expand on the work of our cardio-oncology service. This service, one of only six in the UK provides help for those who have an existing heart condition and develop cancer, or who are "at risk" of developing heart problems due to the toxicity of their chemotherapy and radiotherapy treatments. Thanks to the generous support of the Sir Ken Dodd Charitable Foundation, we were able to provide them with a new 3D Echo which will provide faster and more accurate heart screening. In addition, we were able to support the post of specialist cardio-oncology nurse for a further 12 months as well as providing training and education for existing staff so that they remain at the forefront of best practice for those living with both heart disease and cancer.

In addition to assisting our Cardio-Oncology service we were delighted to help the family members and friends of our patients in Intensive Care. I am sure everyone can imagine the traumatic times that they are living through and the need to remain close at all times. To help make things a little better for them LHCH Charity was able to support the development of a new kitchen/rest area where they can have a hot drink or some food while staying close to their loved one.

These are only two examples of the difference that LHCH Charity can make to the lives of our patients, their families, and our staff. We wouldn't be able to do any of this, of course, without our supporters who send their donations, run marathons, jump out of aeroplanes, or even knit things for our ever-popular Christmas knit sale. We owe them a huge debt of gratitude and thanks.

PROFESSOR BOB BURGOYNE
Chair
LHCH Charity

Key highlights of our year

- Speeding treatment for patients with Cancer and Heart Disease
- Christmas Campaign helps to purchase state of the art Cardiac Output Monitors for patients most at risk following open heart surgery.
- Supporting education and training for complex interventional catheterisation techniques with specialist audio-visual equipment.
- Supporting end of life care with Keepsake Boxes and car parking passes.
- Providing new kitchen and rest facilities for patient's families in the Intensive Care Unit.

Who we are

The Object of LHCH Charity is:-

"For any charitable purpose or purposes relating to the National Health Service wholly or mainly for the service provided by Liverpool Heart and Chest Hospital NHS Foundation Trust."

Aims of LHCH Charity:-

LHCH Charity aims to support Liverpool Heart and Chest Hospital in its care and treatment of patients, their families and staff by:

The latest and the best
LHCH Charity ensures that wherever possible our dedicated medical staff have access to the very latest and best equipment and training. In this way we can ensure that our patients are always receiving the most up to date treatments available.

Tomorrow's medicine today
Research undertaken at Liverpool Heart and Chest Hospital could change the way heart and lung medicine is practised in the future. LHCH Charity supports these developments which help to change the future for generations to come.

Extending the excellence
Providing additional amenities and support for our patients, their families, and our staff. A prime example of this is supporting family members who have loved ones receiving end of life care with the provision of parking passes so that is one less thing they have to worry about.

By doing this LHCH Charity ensures that its legal purpose is fulfilled

How we achieve our aims

The strategy for achieving our aims breaks down into two separate strands:-

1. Working with the hospital and medical staff to identify areas of support which meet the aims and objectives of the hospital.

2. Developing fundraising strategies to achieve successful completion of campaigns for the identified areas.

a) Identification of areas for support

LHCH Charity, in conjunction with the Consultants Fundraising Group, Charitable Funds Committee and the Executive Team of the hospital, identify projects that have criteria which fit within the three main aims. The projects are broken down by size in terms of cost into short, medium or longer term projects.

In addition, each of the Funds which sit underneath the charity umbrella have been requested to complete a form indicating how they propose to spend monies within each 12-month period. The recommendation for each Fund is that, in line with best practice, at least 33% of the Fund's opening balance is spent within the year – unless they are planning on accumulating funds towards a specific service or item of equipment.

b) Fundraising Strategy for identified projects.

The Head of Fundraising produces a yearly strategy which identifies the potential for fundraising for the short term aims (usually required within the financial year) as well as providing details of plans for achieving medium and long-term goals.This strategy includes Income and Expenditure projections as well as a Fundraising Ratio Cost. This is approved by the Charitable Funds Committee and then ultimately the Corporate Trustee.

The Fundraising Strategy is then evaluated at each meeting of the Charitable Funds Committee in relation to its progress in achieving the support required for each of the projects.

How LHCH Charity fundraises

LHCH Charity is guided in all of its fundraising by the Code of Fundraising Practice. Campaigns are run and managed by the charity's staff.The charity does not work with professional fundraisers or commercial participators in generating funds.

LHCH Charity and Social Investment

LHCH Charity was not involved in any social investment during the past 12 months.

LHCH Charity and Grant Making.

LHCH Charity was not involved in making grants to external organisations during the past 12 months but did make grants to internal projects as per our aims and objectives.

LHCH Charity and donated goods, services, and volunteers.

The charity does occasionally receive goods for re-sale at its offices in the hospital. These are recorded as gifts in kind items and processed through the till with other purchased merchandises. If a gift equalling more than £1,000 is received, then this is reported to the Charitable Funds Committee for noting.

The charity did not work with any volunteers during the past 12 months.

Public Benefit

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

The focus of our activities is to benefit the public who utilise the services of Liverpool Heart and Chest NHS Foundation Trust. This hospital mainly serves the communities of Merseyside, Cheshire, North Wales, Lancashire, and the Isle of Man, all of whom have equal access to its facilities. Charitable expenditure is made by way of direct grants to Liverpool Heart and Chest Hospital NHS Foundation Trust, to enhance the patient care already provided.

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

During the year, the funds raised were distributed to provide a wide range of benefits, over and above, what would be expected from statutory sources to our patients, their families, and our staff.

By providing these grants the agents of the Corporate Trustee have complied with their duty to have due regard to the guidance on public benefit published by the Charities Commission in exercising their powers or duties.

Our achievements

Support for Cardio-Oncology

During the year LHCH Charity was able to make a significant contribution to the development of our Cardio-Oncology service. One of only a handful of specialist services in the UK Cardio-Oncology cares for those who either have an existing heart condition and develop cancer or who are "at risk" of developing a heart condition due to the toxicity of their chemo or radiotherapy treatments.

Over the 5 years since its introduction at LHCH the service has grown from operating one clinic every fortnight, to two a week and now sees over six hundred patients a year with demand rising every day.

The key to providing an effective cardio-oncology service is to be able to produce a speedy risk stratification of patients to map out their on-going treatment. This is vital as all decisions in terms of medication, devices and potentially stopping oncology treatment depend on the results of this stratification. To provide the stratification the service needed the dedicated use of a 3D Echo machine, as opposed to the standard NHS 2D machine. LHCH Charity was able to provide this and more with additional funds supporting the post a specialist cardio-oncology nurse for a further year as well as providing a training and education budget enabling them to stay at the forefront of the latest developments in this relatively new field.

A different view

The Adult Congenital Heart Disease service at LHCH is the second largest service of its kind outside of London. It is estimated that across the North-West of England approximately 25,000 young people are growing up with a heart condition they were born with.

As a Level 1 service provider (capable of dealing with the most seriously ill) it is inevitable that many of our patients will also have non-cardiac related issues including learning difficulties.

For those with learning difficulties the frequent monitoring and testing for their heart condition can be especially distressing. This distress can often lead to either failed tests or the need to repeat due to movement which exacerbates the situation even more – as well as slowing down the service for other users.

An ACHD Consultant approached LHCH Charity with the novel idea of purchasing Virtual Reality Goggles for patients who are particularly distressed. In this way they are removed from the frightening environment they feel they are in, and they can watch films or cartoons instead – calming them down, removing the need for re-testing and ensuring a more efficient service.

Making the end a little easier

Losing someone you love is never easy and our End-of-Life Care Team do everything possible to make this most difficult of times easier in every way. LHCH Charity supports them by providing funds to purchase keepsake boxes where special memories can be placed.

Monitoring our Performance

LHCH Charity, through the Charitable Funds Committee and ultimately the Corporate Trustee, benchmark its performance in a number of ways: -

- It identifies fundraising projects and measures its fundraising achievement against the target set for the completion of each project.
- It reviews the external factors which may affect the charity including national and local economic forecasts.
- It provides comparator information with similar charities and measures itself against them in terms of performance, percentage fundraising costs and return on investment.

LHCH Charity achieved significant success during the year but did not quite reach its fundraising target due to changes in the capital campaign.

Despite this a figure of £730k – a 5.34% increase on the previous year. This was raised from a good balance of major gifts from charitable trusts, legacies, companies, and donations from our supporters.

How our supporters helped

Our supporters continue to provide outstanding assistance in helping LHCH Charity make a difference for our patients, their families, and our staff. During the year they showed, once again, that they would go to extraordinary lengths to raise funds including: -

Lunt's Heath Primary showed that you don't have to be a grown up to raise BIG funds.They chose LHCH Charity as their Charity of the Year when 5-year-old Jude's grandad was treated at LHCH. As well has having a wonderful cake sale they organised a giant Skipathon and our mini supporters raised an astonishing £2,666 on the day!

Not to be shamed by the little 'uns, the pupils at Grange Senior School held their annual Rowathon for LHCH. With more than thirty pupils taking part they rowed over 1.5 million kms during the 24-hour period raising £3,485. To date the wonderful pupils have raised over £14,000 for LHCH all in memory of their friend John Nesbitt

Our Estates Department have always been great supporters of the charity and its work and as well as daring the many obstacles of the Tough Mudder, including freezing mud puddles, and being blasted by a fire hose over a 5-hour period. Battered and bruised they emerged having raised over £3,000!

As if that wasn't enough Head of Capital Projects, Dave MacMillan then went on to run twelve marathons over a 31-day period raising a further £6,500.

Christmas is always a special time and its no different at LHCH Charity. Our Christmas campaign this year featured Laura, a young teacher who underwent life-saving open heart surgery at LHCH.Laura's story obviously touched many people making it our most successful Christmas Campaign ever raising over £38,000.

Of course, not everyone ran marathons, rowed a million kilometres, or skipped until they dropped. Some baked cakes, some knitted garments for our Knit Sale or just joined our lottery or In for a Pound Club. Whatever you did you all helped to make lives better for the thousands of people who rely on Liverpool Heart and Chest Hospital.

To everyone who supported LHCH Charity during the year thank you sometimes just doesn't seem enough for all that you do. Rest assured though our gratitude and appreciation of each and everyone one you simply can't be measured.

How You Can Help

You can get involved with LHCH Charity by:-

Ringing the Charity Office on: 0151 600 1409

Email us at enquiries@lhchcharity.org.uk

Writing to us at: LHCH Charity, Thomas Drive, Liverpool L14 3PE

Structure, governance and management

Charity Structure

LHCH Charity is an umbrella charity which holds a number of individual funds under one Charity Registration Number (Charity Registration Number 1052813). The overall responsibility for the running of the charity lies with the Corporate Trustee i.e., the Board of Directors of Liverpool Heart and Chest Hospital.

The Charitable Funds Committee is established as a Committee of the Board of Directors of Liverpool Heart and Chest Hospital Foundation NHS Trust in order to ensure that the Trust's duty as Corporate Trustee of its Charitable Funds has been discharged.

The Charitable Funds Committee operates within the Terms of Reference authorised by the Board of Directors of Liverpool Heart and Chest Hospital NHS Foundation Trust. The Committee has now executive powers other than those specifically delegated in its Terms of Reference which are: -

- Develop the strategy and objectives for the Charity for consideration and approval by the Corporate Trustee
- Oversee the implementation of an infrastructure appropriate to the efficient and effective running of the Charity.
- Oversee the development and delivery of the Fundraising Strategy, as aligned to the Trust's annual plan.
- Oversee the expenditure of the Charity.
- Oversee the Charity's investment plans.
- Monitor the performance of all aspects of the Charity's activities and ensure that it adheres to the principles of good governance and complies with all legal requirements.
- Act as the Committee that discharges the Board's responsibilities (as sole Corporate Trustee) as they relate to the charitable funds under the Trust's custodianship.
- Ensure that the charitable funds held by the Trust are managed in a manner consistent with the requirements of the relevant regulatory and statutory frameworks, and in accordance with the guidance on NHS Charities set out by the Charity Commission.

- When in this role act solely in the best interests of the Charity and in a manner consistent with the Charity Commission's requirements and expectations of the Corporate Trustee.
- Oversee the Charity's strategy, governance, major plans, and key risks on behalf of the Corporate Trustee.
- Establish, prioritise, and approve major fundraising projects in accordance with the strategy and approve financial expenditure items in accordance with delegated authority levels set out in Standing Financial Instructions.
- Monitor the performance of fundraising and marketing activity, ensuring that the return on investment is satisfactory and that income targets are met.
- Devise and implement an investment strategy for the charity, including the appointment and monitoring of any investment managers.
- Ensure the approval and submission of statutory returns, annual accounts, and Trustee's Report in accordance with the Charity Commission's State of Recommended Practice.
- Approve any policies and procedures required for the effective management of the Fund.
- Members of the Charitable Funds Committee attend quarterly Charitable Funds meetings.

Recruitment and appointment of Trustees

Non-Executive Members of the Board of Directors are appointed by the Council of Governors and Executive Members of the Board are subject to recruitment by the Nominations and Remuneration Committee (Executive). Members of the Board of Directors and the Charitable Funds Committee are not individual Trustees under charity law but act as agents on behalf of the Corporate Trustee.

Trustee Training and Induction.

The Trust sees Trustee training as important and has provided access to resources and materials including: -

- As a member of NHS Charities Together they regularly receive updates from this source.In addition Trustees were able to attend a number of courses organised by NHSCT including "Legal Issues for Charities", "Accounting, Audit and Governance", and "Festival of Trusteeship".
- Trustees also have the opportunity to access the Resource Library provided by the Fundraising Regulator which has a wide range of guidance for Trustees.
- Trustees have regular meetings with CCLA (the Charity's Investment Managers) who provide briefings on the status of the current portfolio, the results and predicted future performance.

Trustee Duties

The Corporate Trustee fulfils its legal duty by ensuring that funds are spent in accordance with the objects of each Fund and by designating funds, the Trustee respects the wishes of our generous donors for the advancement of health or saving lives, to provide patient and staff benefit or for the advancement of education and research.

Day to Day Management

The Trust has in place a Scheme of Reservation and Delegation to support the day-to-day management of the Charity.

The Head of Fundraising oversees the day to day running of the Charity and the planning of its fundraising activities. The Head of Financial Services acts as the principal officer overseeing the day-to-day financial management and accounting for the charitable funds during the year.

The Charity does not directly employ any staff. The Charity funds staffing costs of fundraising and administrative staff who run and support the Charity. These staffing contracts are held by the Foundation Trust and recharged accordingly.Pay grades for those working within the Charity are set using NHS Pay Scales.

Related Parties

Liverpool Heart and Chest Hospital NHS Foundation Trust is the main beneficiary of the Charity and is a related party by virtue of being Corporate Trustee of the Charity. The accounts of the Charity are not consolidated into the accounts of the Trust as they are not material.

Charitable Funds

The Charity's Unrestricted Fund was established using the Model Declaration of Trust and all funds held on trust as at the date of registration were part of this unrestricted fund. Subsequent donations and gifts received by the Charity that are attributable to the original fund are added to those fund balances within the existing charity.

Risk Management

Using the NHS Trust's own Risk Register policies and procedures, the Trustees have considered potential risks to which the charity is exposed. The LHCH Charity Risk Register is reviewed annually by the Charitable Funds Committee.

There are no major risks that have been identified.

Contact us, Trustee and Advisors

Liverpool Heart and Chest Hospital Charity
(Previous names, The Heart Appeal, the Merseybeat Appeal)
Registered Charity Number: 1052813

Members of the Liverpool Heart and Chest Hospital Board of Directors who served during the financial year were as follows:-

Name	Title
Val Davies	Chair
Bob Burgoyne	Senior Independent Director and Non-Executive Director
Margaret Carney	Deputy Chair and Non-Executive Director
Nicholas Brooks	Non - Executive Director
Julian Farmer	Non - Executive Director
John Doyle	Non - Executive Director
Claudette Elliott	Non - Executive Director
Anne Marie Davies	Associate Non-Executive Director
Liz Bishop	Chief Executive from February 2024
Jane Tomkinson	Chief Executive Officer until January 2024
Raphael Perry	Medical Director and Deputy CEO until March 2024
Manoj Kuduvalli	Medical Director from April 2024
Karen Edge	Chief Finance Officer until February 2024
James Thomson	Chief Finance Officer from February 2024
Sue Pemberton	Director of Nursing and Quality until February 2024
Joan Matthews	Director of Nursing from February 2024
Jonathan Matthews	Deputy Chief Executive and Chief Operating Officer

Principal Financial Advisor

Bankers until February 2024	From February 2024
Barclays Bank Plc North West Larger Businesses P O Box 378 61 Grey Street Newcastle Upon Tyne NE991JP	National Westminster Bank Plc Natwest Building Brampton Road Newcastle Under Lyme ST5 0QX

Investment Broker	Independent Examiner
CCLA Investment Management Senator House 85 Queen Victoria Street London EC4V 4ET	McLintocks (NW) Limited 2 Hillards Court Chester Business Park Chester CH4 2QP

Responsibility for the on-going management of funds is delegated by the Corporate Trustee to the Charitable Funds Committee which administers the funds on behalf of the Corporate Trustee. The names of the people who served as agents for the Corporate Trustee, as permitted under Regulations 16 of the NHS Trust's (Membership and Procedures) Regulations 1990 were as follows:-

Name	Title
Bob Burgoyne	Senior Independent Director and Non-Executive Director
Nicholas Brooks	Non-Executive Director
Julian Farmer	Non-Executive Director
Jane Tomkinson	Chief Executive Officer (Until February 2024)
Liz Bishop	Chief Executive (From February 2024)
Karen Edge	Chief Finance Officer (Until February 2024)
James Thomson	Chief Finance Officer (From February 2024)

Principal office

The principal office for the charity is:
Liverpool Heart and Chest Hospital Charity
Thomas Drive
Liverpool
L14 3PE

For more information on the LHCH Charity please visit our website at www.lhchcharity.org.uk

Financial Review

The financial statements have been prepared in accordance with the historic cost basis, with the exception of investments which are included at re-valued amounts. The financial statements have been prepared on the on-going concern basis and in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities (SORP 2015)" issued in March 2015, applicable to charities preparing their accounts in accordance with the financial reporting standard applicable in the UK and Republic of Ireland (FRS 102), effective 1st January 2015.

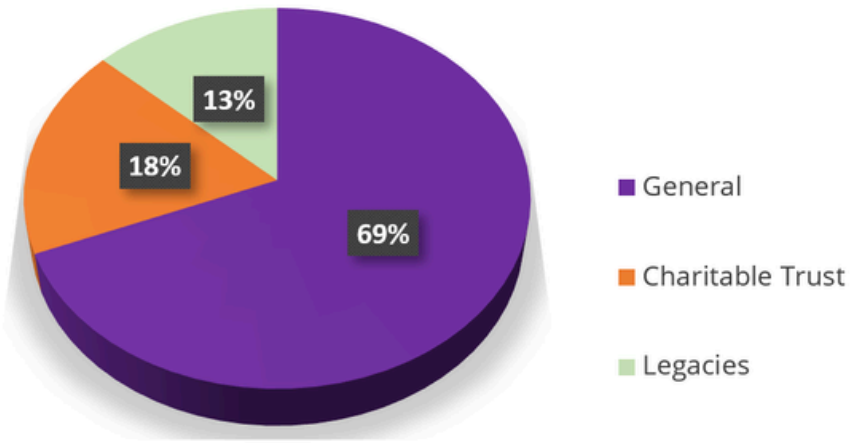
The net assets of the charitable fund as of 31st March 2024 were £1,229k (2022/23 £1,520k), a decrease of £291k during the financial year. Total incoming resources this year amounted to £730k (2022/23 £693K). Legacy income was lower than the year before amounting to some £85k compared to £197K in the previous year.

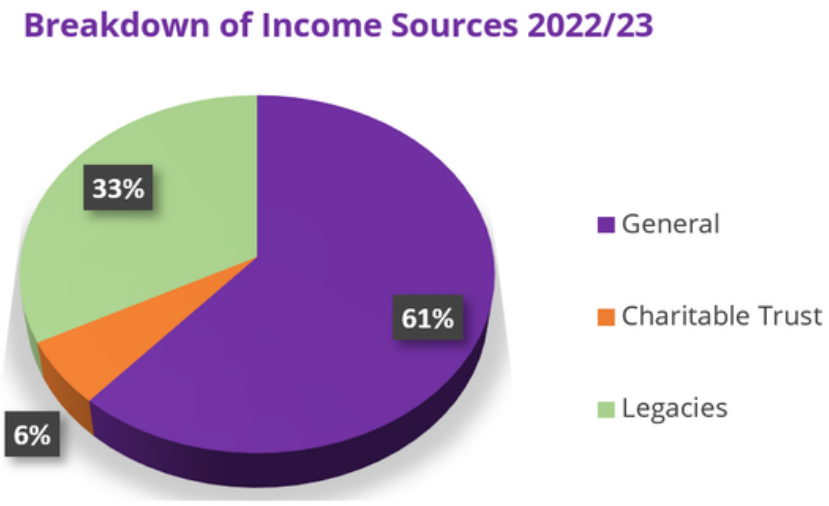
Of the total expenditure of £1,170k (2022/23 £1,016K), expenditure on charitable activities was £942k (2022/23 £821K) and expenditure on raising funds was £224k (2022/23 £191K).

Income summary table

		2023-24	2022-23
Donations	General	£443,633.00	£371,010.00
	Charitable Trusts	£116,000.00	£35,750.00
	Legacies	£84,763.00	£197,159.00
		£644,396.00	**£603,919.00**

Breakdown of Income Sources 2023/24





Going Concern

The Trustee has a reasonable expectation that the Charity has adequate resources to continue as a going concern. Expenditure is discretionary and balanced against the reserves policy requirements.Accounting for income and expenditure is on an accruals basis to ensure all committed expenditure is reflected in the reporting process, and the Charity has sufficient resources to meet all its committed expenditure for 12 months from the date that the financial statements were approved by the Charitable Funds Committee.

Reserves policy

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

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

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

Therefore, the Trustee considers it prudent that the target range of unrestricted reserves is between £500,000 and £3,000,000 to ensure that the Charity can run efficiently and meet the needs of its beneficiaries. The balance sheet shows that the unrestricted reserves is £1,229k at the end of the financial year which is within the reserves range required by the Policy.

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

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

Plans for the Future

In the coming years LHCH Charity aims to continue its work in raising funds to support Liverpool Heart and Chest Hospital. In particular during the next twelve months, we are seeking to expand our work in under-represented funding streams such as corporate income and widen our community and events activities. In addition, although planning for major capital campaigns had several setbacks during the financial year, we will continue to work with medical staff to identify potential schemes for inclusion in major fundraising.

Investment Policy

The Charity conforms to the investment powers given by the Charity Commission order for an NHS umbrella charity and the Trustee Act 2000.

Charitable funds are invested by the Chief Finance Officer in accordance with the Trust's policy and subject to statutory requirements.

The members of the Charitable Funds Committee review the performance of investment and banking at the quarterly meetings. The Committee has decided that the Charities Official Investment Fund (COIF) is to be used for the investment of charitable funds. In year, the Committee has chosen to invest their monies in the COIF Charities Ethical Fund as this aligns with the Trust values and overall strategy as there are tighter restrictions on alcohol, tobacco, and fossil fuels.

Amounts to be invested with COIF are decided by the Charitable Funds Committee. The amount originally invested in COIF was £400K. A further £300K was invested in September 2021.This investment has a current market value, as of 31st March 2024 of £1,291k (31/03/23 £1,141K).

At the end of the financial year the charity held £664k (2022/23 £510k) in an instant access bank account. The Charity has adopted the Trust's policy on investments meaning that all cash balances must remain in a comparatively liquid form. All investments resulting must be realisable and have maturity not exceeding three months. The Charity has one investment with COIF, which can be withdrawn within seven days – in line with Trust policy.

Cash Deposits are invested in accordance with the Trust's Treasury Management Policy which has been adopted by the Charity.

Short-Term Investments should be invested with banks rated A+ Moody's rating.

Long-Term Investments should be invested with banks rage A+ Moody's rating. Dividends received are allocated to individual designated funds in proportion to their average closing balances for the relevant quarter.

The risk associated with the normal fluctuation in the value of investments are mitigated by holding investments in a diversified fund of investments and by only investing funds not required in the short or medium term.

Funds Expenditure Policy

Expenditure against any Charitable Fund is conditional upon the item being within the terms of the appropriate fund and the procedures approved by the Board of Directors.
Before expenditure is incurred consideration is given to the following: -

- The funds may be used for the benefit of hospital staff (both clinical and support) as long as it is line with the objective of the fund, and it does not go beyond what a good employer would consider reasonable to provide.
- The funds cannot be used to campaign or lobby on behalf of the Trust.
- It should comply with the requirements of the Charities Act 2006 on the Public Benefit Test where there is an identifiable benefit or benefits, and this benefit must be to the public or section of the public.
- Should generally not be spent for the benefit of specific individuals.
- To supplement the remuneration (directly or indirectly) of offices.

The authorised signatories must consider the following:

- That the expenditure is within the general and specific restrictions placed upon the funds (the authorising officer must be aware of these).
- Must be applied for the purposes set out in the Governing Document.
- That the funds are not freely available from other sources.
- Must be applied with complete fairness between persons who are properly qualified to benefit from it.

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF LIVERPOOL HEART AND CHEST HOSPITAL

I report to the trustees on my examination of the accounts Liverpool Heart and chest Hospital (Charity No: 1052813) for the year ended 31st March 2023, which are set out on pages 20 to 32.

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

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

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

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

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

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

Alastair Jeffcott
Mclintocks (NW) Limited
2 Hilliards Court
Chester Business Park
CHESTER
CH4 9QP

Date 25/6/2024

Annual accounts 2023/24

Trustee Responsibility Statements.

The Trustees are responsible for preparing the Trustees Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

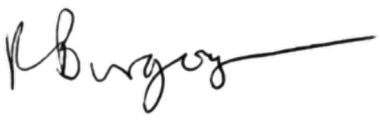
The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity for that year.

In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the Charities SORP.
- Make judgements and estimates that are reasonable and prudent.
- State whether application 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 its operation.

The Trustees are responsible for keeping sufficient 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 Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust Deed. They are also responsible for safeguarding the assets for the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Signed on behalf of the trustee:



Bob Burgoyne
Chair of Charitable Funds Committee

James Thomson
LHCH Chief Finance Officer
Financial Trustee

Liverpool Heart & Chest Hospital Charity
Charity Number 1052813
Annual Accounts for year ended 2023/24

Foreword

The Charity was created in 1996 under statutory instrument

The Charity exists for any charitable purpose or other purpose relating to the NHS wholly or mainly for the service provided by Liverpool Heart & Chest Hospital NHS Foundation Trust

Statement of Financial Activities for the year ended 31 March 2024

	Note	2023-24 Unrestricted Funds £000	2023-24 Restricted Funds £000	2023-24 Total Funds £000	2022-23 Total Funds £000
Income and endowments from:	1.3				
Donations and legacies	4.5	645	0	645	604
Other trading activities	4.6	12	0	12	13
Income from Investments		2	0	2	2
Income from Charitable activities	6.4	70	0	70	74
Total income and endowments		**729**	**0**	**729**	**693**
Expenditure on:	1.6, 1.7, 3.1, 4.1				
Raising funds	1.9, 4.2	(224)	0	(224)	(191)
Charitable activities	4.3	(850)	(92)	(942)	(821)
Other expenditure	4.4	(4)	0	(4)	(4)
Total expenditure		**(1,078)**	**(92)**	**(1,170)**	**(1,016)**
Net gains/(losses) on investments	6.3	150	0	150	(23)
Net income/(expenditure) and net movement in funds		**(199)**	**(92)**	**(291)**	**(346)**
Reconciliation of funds:					
Total funds brought forward		**1,520**	**0**	**1,520**	**1,866**
Total funds carried forward		**1,321**	**(92)**	**1,229**	**1,520**

The statement of financial activities includes all gains and losses recognised in the year.

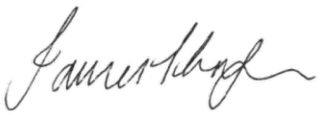
All income and expenditure derive from continuing activities.

Balance Sheet as at 31 March 2024

	Notes	Total at 31 March 2024 £000	Total at 31 March 2023 £000
Fixed Assets			
Investments	1.10, 6.1, 6.2	1,291	1,141
Total Fixed Assets		1,291	1,141
Current Assets			
Debtors	7.1	6	3
Stock		5	6
Cash at bank and in hand		664	510
Total Current Assets		675	519
Creditors: Amounts falling due within one year	8.1	(737)	(140)
Net Current Assets		(62)	379
Total Assets less Current Liabilities		1,229	1,520
Total Net Assets		**1,229**	1,520
Funds of the Charity			
Income Funds:			
Restricted *		0	92
Unrestricted	9.0	1,229	1,428
Total Funds		**1,229**	**1,520**

* The £92k restricted fund was expended on a Cardiovascular Ultrasound equipment for Cath Lab in 23/24.

The Financial statements on pages 17 to 27 were approved by the Trustee and authorised for issue on and are signed on their behalf by:

Signed: 

Date: 09/07/2024

Statement of Cash Flows for the year ended 31 March 2024

	2023-24 Total Funds £000	2022-23 Total Funds £000
Cash flows from operating activites:		
Net cash provided by (used in) operating activities	152	(803)
Cash flows from investing activities:		
Dividends and interest from investments	2	2
Extra Investment	0	0
Net cash provided by (used in) investing activities	2	2
Change in cash and cash equivalents in the reporting period	154	(801)
Cash and cash equivalents at the beginning of the reporting period	510	1,311
Cash and cash equivalents at the end of the reporting period	664	510

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

	2023-24 £000	2022-23 £000
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(291)	(346)
Adjusted for:		
(Gains)/losses on investments	(150)	23
Dividends and interest from investments	(2)	(2)
(Increase)/decrease in stock	1	0
(Increase)/decrease in debtors	(3)	0
Increase/(decrease) in creditors	597	(479)
Net cash provided by (used in) operating activities	**152**	**(803)**

Analysis of cash and cash equivalents:

	2023-24 £000	2022-23 £000
Cash at bank and in hand	664	510
Total cash and cash equivalents	**664**	**510**

Notes to the Account

Accounting Policies **1**

1.1 Accounting Convention

The financial statements have been prepared on the basis of historic cost convention, as modified for the revaluation of certain investments. The financial statements have also been prepared 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 (FRS 102) (effective 1 January 2019) and applicable UK accounting standards and the Charities Act 2011.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

1.2 Going Concern

At the time of approving te financial statements, the Trustees have a reasonable expectation that the Charity has adequate resourses to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in prepering the financial statements.

1.3 Funds Structure

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. Liverpool Heart & Chest Hospital Charity does not have any expendable endowments.

Unrestricted income funds comprise those funds which the Trustee is free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds, where the donor has made known their non binding wishes or where the Trustee, at their discretion, have created a fund for a specific purpose.

1.4 Income Recognition

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 control over the rights or other access to the economic benefit has passed to the Charity;
ii) probable - when it is more likely than not that the economic benefits associated with the transaction or gift will flow to the Charity; and
iii) measurement - when the monetary value or amount of the income can be measured reliably and the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

1.5 Income from Donations and Legacies

Legacies are accounted for as incoming resources either upon receipt or where the receipt of the legacy is normally probable. This will be when:

i) there has been a grant of probate;
ii) the executors have established that there are sufficient assets in the estate, after settling any liabilities, to pay the legacy; and
iii) any conditions attached to the legacy are either within the control of the charity or have been met.

There are no material legacies which have been notified but not recognised as incoming resources in the Statement of Financial Activities.

1.6 Income from Donations and Legacies (cont'd)

a) Donations

i)

All funds are unrestricted but may be designated. These include donations where particular parts of Liverpool Heart and Chest Hospital or its activities were nominated by the donor at the time that the donation was made. Whilst nomination is not binding on the Trustee, the designated funds reflect these nominations. The Charity does not have any restricted funds.

ii)

Where a preference is not expressed by the donor then the donation is applied to Liverpool Heart and Chest Appeal which has four key elements to our fundraising aims;

- To raise funds for key pieces of medical equipment

- To develop the Enhancing the Healing Environment programme

- To support patient centred research

- To continually invest in our staff to improve their clinical techniques so that we can provide our patients with an unrivalled patient experience.

iii) Where possible the Trust reclaims tax on donations through the Gift Aid scheme.

1.7 Income from Charitable activities

a) Robert Owen House Accommodation Income

i) Robert Owen House provides inexpensive overnight accommodation for relatives and friends of patients. Income received is applied to the upkeep and day to day running costs of the house.

ii) Robert Owen House accommodation income is credited to incoming resources from Charitable Activities within the Statement of Financial Activities.

iii) Robert Owen House Income is credited net of VAT based on the date of occupancy.

iv) The Charity has treated income from Robert Owen House as Primary Purpose Trading and as such the profits are exempt from tax.

1.8 Financial instruments

The Charity has elected to apply the provisions of Section 11 "Basic Financial Instruments" and Section 12 'Other Financial Instruments issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets basic minancial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently cared at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised

Debt instruments are subsequently carried at amortised cost, using effective interest rate method. Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

1.9 Expenditure

The funds held on Trust accounts are prepared in accordance with the accruals concept. All expenditure is recognised when all of the following criteria are met:

i) obligation - a present legal or constructive obligation exists at the reporting date as a result of a past event;
ii) probable - it is more likely than not that a transfer of economic benefits, often cash, will be required in settlement; and
iii) measurement - the amount of the obligation can be measured or estimated reliably.

Grants are mainly made to Liverpool Heart and Chest Hospital NHS Foundation Trust in furtherance of the charitable objects of the funds. A liability for such grants is recognised when approval had been given by the Trustee. The Foundation Trust has full knowledge of the plans of the Trustee, therefore a grant approval is taken to constitute a firm intention of payment which has been communicated to the Foundation Trust, and so a liability is recognised.
Expenditure on raising funds comprises the costs associated with attracting voluntary income.
Expenditure on Charitable activities comprises those costs incurred by the Charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and any costs of an indirect nature necessary to support them.

Governance costs include only those costs associated with meeting the constitutional and statutory requirements of the charity and include audit fees and costs linked to the strategic management of the charity.

1.10 Irrecoverable VAT

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

1.11 Governance Costs

Establishment costs and Audit fees are apportioned to resources expended based on the value of transactions within each cost category at the end of the year.

1.12 The Costs of Raising Funds

These costs are salaries and other expenses associated with the Liverpool Heart and Chest Charity Fundraising Team and day to day expenses incurred in running Robert Owen House.

1.13 Fixed Asset Investments

Fixed asset investments are initially measured at transaction price ecluding transaction costs, and are subsequently measured at fair value at each reporting date. Transaction costs are expensed as incurred. Changes in fair value are recognised in other recognised gains and losses except to the extent that a gain reverses a loss previously recognised in net income expenditure, or a loss exceeds the accumulated gains recognised in equity; such gains and loss are recognised in net income/(expenditure) for the year.

1.14 Change in the Basis of Accounting

There has been no change in the basis of accounting this financial year.

2.0 Related Party Transactions

Under the guidance provided by the Financial Reporting Standard 8, Liverpool Heart & Chest Hospital NHS Foundation Trust is a related party as it is the Corporate Trustee of the charity. During the year the charity has had a number of material transactions with Liverpool Heart & Chest Hospital NHS Foundation Trust (e.g. grant giving). Details are included in note 12.

The Foundation Trust is the sole Trustee of the Liverpool Heart and Chest Charity and as such is considered to be a related party. During the year ended 31 March 2024, the Charity incurred £913k in expenditure and received £0k of income with the NHS Foundation Trust. Amounts owed by the Foundation Trust at 31 March 2024 were £0k and amounts owed to the Foundation Trust were £737k.

The Charitable Trust has made revenue payments to Liverpool Heart & Chest Hospital NHS Foundation Trust where agents of the Corporate Trustee (whose names are listed below) are also members of the Trust Board.

Bob Burgoyne - Chair of Charitable Funds Committee
Dr Liz Bishop - Chief Executive
James Thomson - Chief Finance Officer
Nick Brooks - Non Executive Director
Julian Farmer - Non Executive Director

The Trustees did not receive any remuneration for work performed in relation to the Charity (2022-23: £nil).

Grants made to institutions 3.1

Name of recipient and number of grants	**Aggregate amount paid 2024**	Aggregate amount paid 2023
	£000	£000
Total resources expended	(1,170)	(1,016)
Less cost of generating funds	217	185
Less admin/audit and bank charges	41	37
Liverpool Heart & Chest Hospital NHS FT Trust	**(912)**	**(794)**

Analysis of Support Costs 4.1

Support costs are reapportioned across expenditure. The apportionment is based on the value of transactions within each of the expenditure categories reported.

The total value of support costs incurred in the reporting period is £36k (22/23 £33k) and comprises £1k (22/23 £1k) Establishment costs, £2k (22/23 £2k) independent examiners fee, £1k (22/23 £1k) Insurane costs and £32k (22/23 £31k) Staffing

Expenditure on Raising Funds 4.2

	Total costs 2024 £000	**Total funds raised 2024 £000**	Total costs 2023 £000	Total funds raised 2023 £000
Fund raising costs	(224)	730	(191)	692
	(224)	**730**	**(191)**	**692**

Included within the cost of raising funds are the following staff costs:

	Net Cost	**National Insurance Employer**	**Pension Employer**	**Gross Cost 2024**	Gross Cost 2023
	£000	£000	£000	**£000**	£000
Fundraising Staff	**146**	**15**	**7**	**168**	**100**

The average number of staff employed during the year was 4 (2023/24: 2).

Robert Owen House Supplies has been reclassified as a charitable activities expenditure.

Charitable activities 4.3

	Total 2024 £000	Total 2023 £000
Staff Welfare	(244)	(200)
Contribution to Liverpool Heart & Chest research	(21)	(41)
Purchase of new equipment	(459)	(288)
Patient welfare	(50)	(11)
Education, training and research expenses	(19)	(83)
New building and refurbishment	0	(76)
Robot Running Costs	(52)	(40)
Symposium Expenditure	(11)	0
Robert Owen House Repairs	(7)	(17)
Robert Owen House Supplies	(79)	(65)
	(942)	(821)

Other expenditure 4.4

	Total 2024 Funds £000	Total 2023 Funds £000
Miscellaneous expenditure	(4)	(4)
	(4)	(4)

Note: Miscellaneous expenditure mainly consists of bank charges.

Donations and legacies 4.5

	Total 2024 £000	Total 2023 £000
Donations	(417)	(271)
ROH Donations	(30)	(52)
Legacies	(85)	(197)
Just Giving/Events	(93)	(64)
Donations Research	(20)	(20)
	(645)	(604)

Other trading activities 4.6

	Total 2024 £000	Total 2023 £000
LHCH Merchandise	(12)	(13)
	(12)	(13)

Net movement in Funds **5**

	Total 2024 Funds £000	Total 2023 Funds £000
Opening Balance	1,520	1,866
Closing Balance	1,229	1,520
Net movement in funds for the year	(291)	(346)
Net movement in funds available for future activities	**(291)**	**(346)**

Analysis of Fixed Asset Investments **6**

6.1 Fixed Asset Investments:

	2024 £000	2023 £000
Market value at 1st April	**1,142**	1,165
Additional Investment	**0**	0
Net gain/(loss) on revaluation	**149**	(23)
Market value at 31 March	**1,291**	**1,142**
Historic cost at 31 March	**700**	700

6.2 Market value at 31 March :

	Held in UK £000	**2024 Total £000**	2023 Total £000
Investments in a Common Deposit Fund / Common Investment Fund	1,291	**1,291**	1,142
	1,291	**1,291**	1,142

Analysis of gross income from investments **6.3** Total gross income

	Held in UK £000	**2023-24 Total £000**	2022-23 Total £000
Investments in a Common Deposit Fund / Common Investment Fund	149	149	(23)
	149	**149**	(23)

6.4 Income from Charitable activities

	2023-24 Total £000	2022-23 Total £000
Income from Robert Owen House accommodation/telephone charges and fundraising sales	70	74
	70	74

6.5 Other income

	2024 Total £000	2023 Total £000
	2	2
Interest on short term deposit	2	2

The Corporate Trustees adopted the Treasury Management Policy of Liverpool Heart & Chest Hospital NHS FT in respect of investments. The majority of cash balances are placed with Natwest (Government Banking Service), which attracts an interest rate of 5.14%.

Analysis of Debtors

7 Debtors (including trade debtors and loans receivable) are measured on initial recognition at settlement amount after any trade discounts or amount advanced by the charity. Subsequently, they are measured at the cash or other consideration expected to be received.

7.1

	2024 £000	2023 £000
Donations and legacies	3	0
Prepayments	3	3
Total debtors falling due within one year	**6**	3
Total debtors	**6**	**3**

Analysis of Creditors

8 The charity has creditors which are measured at settlement amounts less any trade discounts.

8.1

Amounts falling due within one year:	2024 £000	2023 £000
Trade creditors	0	0
Accruals	(375)	(107)
VAT	(2)	(2)
Balance owed to Liverpool Heart & Chest	(360)	(31)
Total creditors falling due within one year	**(737)**	(140)
Total creditors	**(737)**	**(140)**

Details of charitable funds **9.0**

	Name of fund	Balance b/fwd 01 April 2023 £000	Incoming resources £000	Resources expended £000	Gains and (losses) £000	Balance c/fwd 31 March 2024 £000
	Material designated funds					
A	Robert Owen House	140	101	-92	61	210
B	LHCH Charity	709	572	-871	-18	392
C	Cystic Fibrosis	66	1	-3	21	85
D	Lung Cancer	79	0	-4	27	102
E	Cherry Ward	34	7	-4	16	53
	Total material designated	1,028	681	-974	107	842
	Misc. designated	492	48	-196	43	387
	Total charitable funds	**1,520**	**729**	**-1,170**	**150**	**1,229**

Material funds are deemed at being in excess of £50,000
Robert Owen House provides inexpensive relatives accommodation.
The LHCH Charity is for any charitable purpose or purposes relating to services provided by LHCH NHS FT.
The Cystic Fibrosis fund facilitates education and research into adult Cystic Fibrosis and provides support for patients with this condition.
The Lung Cancer funds facilitates education and research into adult lung cancer and provides support for patients with this condition.
The Cherry Ward funds provides funds for patients with Cystoc Fibrosis and provides support for patients.
In 22/23, the Charity received £92k legacy which is restricted to equipment puchases. This legacy was utilised in 23/24.

Contingencies **10** There are no contingent losses or gains included in the accounts

Commitments, Liabilities and Provisions **11** There are no commitments, contingent liabilities or provisions included in 2023-24

11.1 There are no commitments or provisions included in the accounts

Trustee and Connected Persons Transactions **12**

12.1 The Charitable Trust delivers the charitable objectives by making grants to the Liverpool Heart & Chest Hospital NHS Foundation Trust. Grants made amounted to £913k in 2023/2024 (2022/23 £794k).

At 31st March 2024, £737k was owed to the Liverpool Heart & Chest Hospital NHS Foundation Trust (2022/23 £140k).

12.2 There was no Trustee indemnity insurance during the year.

Loans or Guarantees Secured against assets of the charity **13** There were no loans or guarantees secured against assets of the Charity.

THE LIVERPOOL HEART AND CHEST HOSPITAL CHARITY

England & Wales - Charity number 1052813

Accounts

Liverpool Heart and Chest Hospital Charity

Annual Report 2022/23

LHCH charity

Caring for people with heart and lung disease

Charity Registration Number 1052813

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LHCH charity

Caring for people with heart and lung disease

Chairman's welcome

Welcome to our annual report for 2022/23.

The past year has not been an easy one for many people and that includes LHCH Charity. The difficult economic situation has led to a great deal of uncertainty for all and for many charities this has had a profound effect on their ability to fundraise

I am pleased to say, however, that LHCH Charity income remained stable and actually increased by 20% on the previous year which allowed us to continue to support Liverpool Heart and Chest Hospital in a wide variety of ways.

During the year the charity was able to provide a clinical space for in-patients who need echocardiograms, either for reporting prior to discharge or who may need urgent tests whilst on the ward. This new clinical area will greatly improve patient flow and reduce the need for patients to be moved around the hospital for tests, maximising the time for staff, reducing the need for porters and making the patient's journey smoother.

In addition we were able to support the new Cardiac Catherterisation Centre with the purchase of a new Echo Navigation System which will provide for speedier and more successful outcomes for patients undergoing procedures within the centre.

In 2020 LHCH Charity was instrumental in the introduction of Sky Ceiling Tiles in the Critical Care Unit. These picture tiles benefitted patients who were too poorly to leave the ward by providing them with the feeling that they are spending some time outdoors. Such was the success of the scheme that this year the charity was able to fund a further six rooms providing even more assistance for our most vulnerable patients.

None of this could have been achieved however, without the continuing support of our donors. Their enthusiasm and encouragement means a huge amount to everyone who works at the charity and the hospital itself. We owe them an enormous and on-going debt of gratitude.

Bob Burgoyne – Chairman LHCH Charity

Key highlights of our year

- The preparation of Catheter Lab 7
- Provision of a new Echo Navigation System for interventional cardiologist to provide speedier and more successful outcomes
- Expansion of the Ceiling Light System in Intensive Care to assist with the reduction of delirium in critical ill patients
- Support for the purchase of a Pulse Wave Analysis System for a research project into the measurement of blood pressure in patients with aortic aneurysms
- Establishment of an in-patient Echocardiography suite to reduce delays in discharge and urgent tests

Who we are

The Object of LHCH Charity is:-

"For any charitable purpose or purposes relating to the National Health Service wholly or mainly for the service provided by the Liverpool Heart and Chest Hospital NHS Foundation Trust".

Aims of LHCH Charity:-

LHCH Charity aims to support Liverpool Heart and Chest Hospital in its care and treatment of patients, their families and staff by:

1. **Extending the excellence**
   Providing additional amenities and support for our patients, their families and our staff. Many of our patients travel long distance to access our specialist services and we help by providing accommodation for family and loved ones during what is often a very stressful time.

2. **Tomorrow's medicine today**
   Research undertaken at Liverpool Heart and Chest Hospital could change the way heart and lung medicine is practised in the future.

3. **The latest and the best**
   The LHCH Charity ensures that wherever possible our dedicated medical staff have access to the very latest and best in equipment and training. In this way we can make sure that our patients are always receiving the most up to date treatments available.

By doing this LHCH Charity ensures that its legal purpose is fulfilled

How we achieve our aims

The strategy for achieving our aims breaks down into two separate strands:-

1. Identification of areas for support
2. A strategy for fundraising for the identified areas

a) Identification of areas for support

LHCH Charity, in conjunction with the Consultants Fundraising Group, Charitable Funds Committee and Executive Team of the hospital, identify projects that have a criteria that fits within the 3 aims. These projects are broken down by size in terms of cost into short, medium or longer term projects.

In addition each of the Funds which sit underneath the charity umbrella have been requested to complete a form indicating how they propose to spend monies within each 12 month period. The recommendation for each Fund is that in line with best practice at least 33% of the Fund's opening balance is spent within the year unless they are planning on building funds towards a specific service or item of equipment.

b) Fundraising Strategy for identified projects.

The Head of Fundraising produces a yearly strategy which identifies the potential for fundraising for the short term aims (usually required within the financial year) as well as providing details of plans for achieving the medium and long term goals including Income and Expenditure projections as well as a Fundraising Ratio Cost and a Return on Investment Cost. This is approved by the Charitable Funds Committee and then, ultimately, the Corporate Trustee.

The Fundraising Strategy is then evaluated at each meeting of the Charitable Funds Committee in relation to its progress in achieving the support required for each of the projects.

How LHCH Charity Fundraises

LHCH Charity is guided in all of its fundraising by the Code of Fundraising Practice. Campaigns are run and managed by the charity's staff and the charity does not work with professional fundraisers or commercial participators in generating funds.

During the year LHCH Charity received no complaints from its donors or others about the standard of its fundraising approaches. It received no requests from the Fundraising Preference Service for donors to be removed from the database.

LHCH Charity and Social Investment

LHCH Charity was not involved in any social investment during the past 12 months

LHCH Charity and Grant Making

LHCH Charity was not involved in making grants to external organisations during the last 12 months but did make several grants to internal projects as per our aims and objectives during the year.

LHCH Charity and Donated Goods, services and volunteers

The charity does occasionally receive goods for re-sale in its office at the hospital. These are recorded as gift in kind items and processed through the till with other purchased merchandise. If a gift equalling more than £1,000 is received then this is reported to the Charitable Funds Committee for noting.

The charity did not work with any volunteers during the past 12 months.

Public benefit

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

The focus of our activities is to benefit the public who utilise the services of Liverpool Heart and Chest NHS Foundation Trust. This hospital mainly serves the communities of Cheshire, Merseyside, North Wales and the Isle of Man, all of whom have equal access to its facilities. Charitable expenditure is made by way of direct grants to the Liverpool Heart and Chest Hospital NHS Foundation Trust, to enhance the patient care already provided.

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

During the year the funds raised were distributed to provide a wide range of benefits, over and above what would be expected from statutory sources to our patients, their families and our staff.

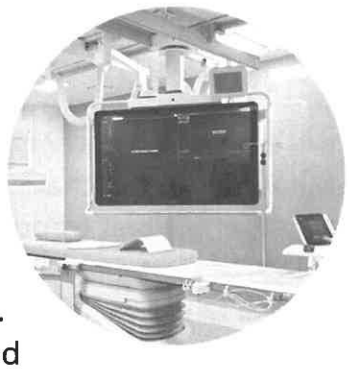
The agents of the Corporate Trustee have complied with their duty to have due regard to the guidance on public benefit published by the Charities Commission in exercising their powers or duties.

Our achievements

Like many charities LHCH Charity continued to face significant challenges during the financial year. The economic uncertainty, rising prices and utility costs, inflation at a 40 year high all had an impact on our fundraising efforts during the past 12 months. Despite this we were still able to make a significant contribution to the health and well-being of our patients, their families and our staff.

The latest and the best

Support for the Cardiac Catherisation Centre



During the year LHCH Charity was able to make a significant contribution to the development of the new Cardiac Catherisation Centre at Liverpool Heart and Chest.

The charity was able to support the new centre with the purchase of a new Echo Navigation System which provides speedier and better results for those undergoing interventional cardiac procedures. The software enables the fusing of Live 3D Transoesophageal Echo and live X-Ray imaging for guidance in dealing with crossing difficult lesions and provides a more accurate placement of devices.

LHCH Charity working with clinicians have been able to identify the, as yet, incomplete Cath Lab 7 within the Centre as a dedicated space for the treatment of young adults with congenital heart disease. This exciting new venture will form part of a major capital campaign that the charity is currently organising.

A dedicated Echocardiography Suite

Around 4,000 patients each year at LHCH receive an Echo at some point during their stay and these are vital for the diagnosis and management of heart conditions. Many patients cannot be discharged without having undergone an Echo procedure. However, the existing facilities were hot, uncomfortable and ill-equipped to deal with the patient numbers. This led to delays in patient discharge and in treatment as patients frequently needed to be moved around the hospital.

By supporting the establishment of a new suite for Echocardiography LHCH Charity was able to provide a facility that addressed all of these issues, optimising staff time, reducing patient stress and accelerating patient discharge reducing pressure on bed spaces.

Extending the Excellence

Helping to reduce delirium in critically ill patients

Building on the success of our earlier campaign to help reduce delirium amongst the most poorly of our patients LHCH Charity supported the purchase of an additional six Sky Ceiling Tiles for the Intensive Care Unit.

One of the major contributors to the onset of delirium is disassociation (the loss of understanding of time and surroundings). The ceiling tiles provide an understanding of the passage of time, helping to maintain regular sleep patterns which is a key element in the fight against disassociation.

Tomorrow's medicine today

Supporting research is a key part of the remit of LHCH Charity. During the past year, the charity has supported a number of research initiatives including a grant of £20,000 from a charitable trust in support of the work of a Patient Research Ambassador.

In addition, LHCH Charity was able to provide a grant for the purchase of a Pulse Wave Analysis System. This will be used in a study to measure blood pressure centrally via a specialist system called Pulse Wave Analysis. This measurement is more accurate in recognising "true" blood pressure in the aorta and assists clinicians to recognise when patients may have unrecognised and untreated high blood pressure (hypertension).

Monitoring our Performance

LHCH Charity, through the Charitable Funds Committee and ultimately the Corporate Trustee, benchmarks its performance in a number of ways:-

- It identifies fundraising projects and measure its fundraising achievement against the targets set for the achievement of each project.
- It reviews the external factors which may affect the charity including national and local economic forecasts

It provides comparator information with similar charities and measures itself against them in terms of performance, percentage fundraising costs and return on investment.

LHCH Charity achieved significant success during the year but did not quite reach its fundraising target due delays in the development of the capital campaign.

Despite this a figure of £693,000 was achieved - a 20% increase on the previous year. This was raised from a good balance of major gifts from charitable trusts, legacies, companies and donations from our supporters.

How our Supporters helped

Our supporters continue to provide outstanding assistance in helping LHCH Charity make a difference for our patients, their families and our staff. During the year they once again showed that they would go to extraordinary lengths to raise funds including:-

- Our Estates Department who not only abseiled down the Anglican Cathedral but also went on to complete a 3 Peaks Challenge in 24 hours.

- There was also several other members of staff who took part in the abseil – special mention to Mr Mo Zeinah (Cardiac Consultant) who completed the descent in the fastest time of the day!

- Mr Zeinah has been a bit of a fundraising star this year, he also participated in our very first Sunrise at Snowdon and his infectious enthusiasm kept everyone going in the hard climb to the top.

Of course, not all our supporters leapt of things or climbed mountains.

- Lovely Holly (8) held a tuck shop at her school and raise a wonderful £60.50, Sonny Lee James held a social evening, and Roger Farr and friends went fishing.

Companies also played their part, a fantastic donation from Amazon helped us celebrate International Nurses day in great style. Home Financial Services donated £10 for every mortage sold during June raising £320, Hodge Jones & Allen chose us as their Charity of the Year raising a wonderful £1,000 and NFU Mutual donate a truly amazing £6,500 after two members of their staff were treated here.

HODGE JONES & ALLEN

NFU Mutual

HOME financial

To all who responded whether you undertook a marathon or wrote a cheque – from everyone here at LHCH thank you from the bottom of our hearts.

How You Can Help

You can get involved with LHCH Charity by:-

Ringing the Charity Office on: 0151 600 1409

Email us at enquiries@lhchcharity.org.uk

Writing to us at: LHCH Charity, Freepost RRLL-KSHT-ZLKE, Thomas Drive, Liverpool L14 3PE

There are so many things you can do:

- Show your support by donating by post, online or calling the Charity Office
- Be one of our Charity Ambassadors and use your time to promote our work and get people involved – even set up your own local fundraising group
- Volunteer – you can help at events, at the Charity Office, be a collection box and badge placer, you can even work at home helping us with research

Structure, governance and management

Charity Structure

LHCH Charity is an umbrella charity which holds a number of individual funds under one Charity Registration Number (Charity Registration Number 1052813). The overall responsibility for the running of the charity lies with the Corporate Trustee i.e. the Board of Directors of Liverpool Heart and Chest Hospital.

The Charitable Funds Committee is established as a Committee of the Board of Directors of Liverpool Heart and Chest Hospital NHS Foundation Trust in order to ensure the Trust's duty as Corporate Trustee of its Charitable Funds has been discharged.

The Charitable Funds Committee operates within Terms of Reference authorised by the Board of Directors of Liverpool Heart and Chest Hospital NHS Foundation Trust. The Committee has no executive powers other than those specifically delegated in its Terms of Reference which are:-

- Develop the strategy and objectives for the Charity for consideration and approval by the Corporate Trustee.
- Oversee the implementation of an infrastructure appropriate to the efficient and effective running of the Charity
- Oversee the development and delivery of the Fundraising Strategy, as aligned to the Trust's annual plan
- Oversee the expenditure of the Charity
- Oversee the Charity's Investment Plans
- Monitor the performance of all aspects of the Charity's activities and ensure that it adheres to the principles of good governance and complies with all relevant legal requirements
- Act as the Committee that discharges the Board's responsibilities (as sole Corporate Trustee) as they relate to Charitable Funds under the Trust's custodianship.
- Ensure that the charitable funds held by the Trust are managed in a manner consistent with the requirements of the relevant regulatory and statutory frameworks and in accordance with the guidance on NHS Charities set out by the Charity Commission.
- When in this role act solely in the best interests of the Charity and in a manner consistent with the Charity Commission's requirements and expectations of the Corporate Trustee.
- Oversee the Charity's strategy, governance, major plans and key risks on behalf of the Corporate Trustee.

- Establish, prioritise and approve major fundraising projects in accordance with the strategy and approve expenditure items in accordance with delegated authority levels set out in Standing Financial Instructions.
- Monitor the performance of fundraising and marketing activity, ensuring that the return on investment is satisfactory and that income targets are met.
- Devise and implement an investment strategy for the charity, including the appointment and monitoring of any investment managers
- Ensure the approval and submission of statutory returns, annual accounts and Trustee's Report in accordance with the Charity Commission's Statement of Recommended Practice.
- Approve any policies and procedures required for the effective management of the Fund
- Members of the Charitable Fund Committee attend quarterly Charitable Funds meetings.

Recruitment and appointment of Trustees

Non-Executive Members of the Board of Directors are appointed by the Council of Governors and Executive Members of the Board are subject to recruitment by the Nominations and Remuneration Committee (Executive). Members of the Board of Directors and the Charitable Funds Committee are not individual Trustees under Charity Law but act as agents on behalf of the Corporate Trustee.

Trustee Training and Induction

The Trust sees Trustee training as important and has provided access to resources and materials including:-

• LHCH Charity is a member of NHS Charities Together and regularly receives updates from this source. In addition Trustees were able to attend a number of courses organised by NHSCT including:-

Legal Issues for NHS Charities
Accounting, Audit and Governance
The Festival of Trusteeship

• The Trustees also have the opportunity to access the Resource Library provided by the Fundraising Regulator which has a wide range of guidance for Trustees

• Trustees also have regular meetings with CCLA (the Charity's Investment Managers) who provide briefing on the status of the current portfolio, the results and predicted future performance.

Trustee Duties

The Corporate Trustee fulfils its legal duty by ensuring that funds are spent in accordance with the objects of each fund and by designating funds, the Trustee respects the wishes of our generous donors for the advancement of health or saving lives, to provide patient and staff benefit or for the advancement of education and research.

Day to day management

The Trust has in place a scheme of reservation and delegation to support the day to day management of the charity.

The Head of Fundraising oversees the day to day running of the charity and the planning of fundraising activities for the charity. The Head of Financial Services acts as the principal officer overseeing the day to day financial management and accounting for the charitable funds during the year.

The charity does not directly employ any staff. The charity funds staffing costs of fundraising and administration staff who run and support the charity. These staffing contracts are held by the Foundation Trust and recharged accordingly. Pay grades for those working within the Charity are set using NHS Pay Scales.

Related parties

The Liverpool Heart and Chest Hospital NHS Foundation Trust is the main beneficiary of the charity and is a related party by virtue of being Corporate Trustee of the charity. The accounts of the charity are not consolidated into the accounts of the Trust as they are not material.

Charitable Funds

The Charity's unrestricted fund was established using the model declaration of trust and all funds held on trust as at the date of registration were part of this unrestricted fund. Subsequent donations and gifts received by the charity that are attributable to the original fund are added to those fund balances within the existing charity.

Risk Management

Using the NHS Trust's own Risk Register policies and procedures, the Trustees have considered potential risks to which the charity is exposed. The LHCH Charity Risk Register is reviewed annually by the Charitable Funds Committee.

There are no major risks that have been identified

Contact us, Trustee and Advisors

Liverpool Heart and Chest Hospital Charity
Registered Charity Number: 1052813
(previous names: The Heart Appeal, The Merseybeat Appeal)

Members of the Liverpool Heart and Chest Hospital Board of Directors who served during the financial year were as follows:-

Name	Title
Nicholas Brooks	Non - Executive Director
Louise Robson	Non-Executive Director from May 2022
Margaret Carney	Non - Executive Director
Julian Farmer	Non - Executive Director
Bob Burgoyne	Non - Executive Director
Karen O'Hagan	Non - Executive Director
Val Davies	Chair from April 2022
Jane Tomkinson	Chief Executive Officer
Raphael Perry	Medical Director & Deputy CEO
Karen Edge	Chief Finance Officer
Sue Pemberton	Director of Nursing & Quality
Jonathan Mathews	Chief Operating Officer

Principal Financial Advisor

Banker	Solicitor
Barclays Bank Plc North West Larger Businesses P O Box 378 71 Grey Street Newcastle Upon Tyne NE99 1JP	Hill Dickinson Pearl Assurance House Derby Square Liverpool L2 9XL

Investment Broker	Independent Examiner
CCLA Investment Management Senator House, 85 Queen Victoria Street, London EC4V 4ET	McLintocks (NW) Limited 2 Hillards Court Chester Business Park Chester CH4 9PX

Responsibility for the on-going management of funds is delegated by the Corporate Trustee to the Charitable Funds Committee which administers the funds on behalf of the Corporate Trustee. The names of the people who served as agents for the Corporate Trustee, as permitted under regulations 16 of the NHS Trust's (Membership and Procedures) Regulations 1990, were as follows:-

Name	Title
Julian Farmer	Non - Executive Director
Nicholas Brooks	Non - Executive Director
Bob Burgoyne	Non - Executive Director
Jane Tomkinson	Chief Executive Officer
Karen Edge	Chief Finance Officer

Principal office

The principal office for the charity is:
Liverpool Heart and Chest Hospital Charity
Thomas Drive
Liverpool
L14 3PE

For more information on the LHCH Charity please visit our website at www.lhchcharity.org.uk

Financial Review

The financial statements have been prepared in accordance with the historic cost basis, with the exception of investments which are included at re-valued amounts. The financial statements have been prepared on the going concern basis and in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities (SORP 2015)" issued in March 2015, applicable to charities preparing their accounts in accordance with the financial reporting standard applicable in the UK and Republic of Ireland (FRS 102), effective 1st January 2015.

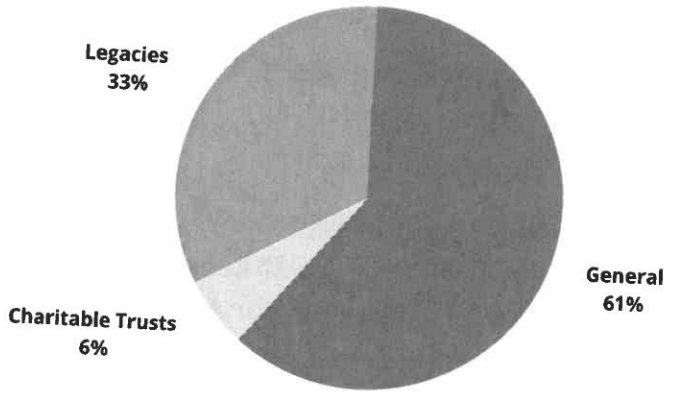
The net assets of the charitable fund as at 31st March 2023 were £1,520k (2021/22 £1,866k), a decrease of £346k during the financial year. Total incoming resources this year amounted to £693k (2021/22 £557k). Legacy income was significantly higher on the year before amounting to some £197k compared to £44k in the previous year.

Of the total expenditure of £1,016k (2021/22 £937k), expenditure on charitable activities was £821k (2021/22 £770k) and expenditure on raising funds was £191k (2021/22 £164k).

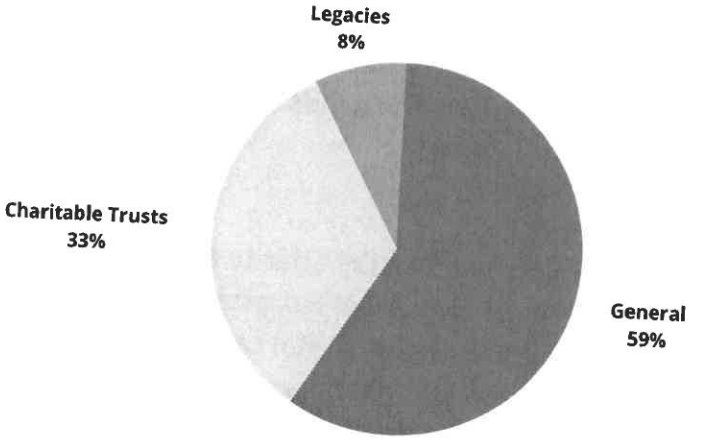
Income summary Table

		2022-23	2021-22
Donations	**General**	**£371,010**	**£324,708**
	Charitable Trusts	**£35,750**	**£178,750**
	Legacies	**£197,159**	**£44,430**
	Total	**£603,919**	**£547,888**

Breakdown of Income Sources 2022/23



Breakdown of Income Sources 2021/22



Going Concern

The Trustee has a reasonable expectation that the Charity has adequate resources to continue as a going concern. Expenditure is discretionary and balanced against the reserves policy requirements. Accounting for income and expenditure is on an accruals basis to ensure all committed expenditure is reflected in the reporting process, and the Charity has sufficient resources to meet its committed expenditure for 12 months from the date that the financial statements were approved by the Charitable Funds Committee.

Reserves policy

RESERVED

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

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

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

Therefore, the Trustee considers it prudent that the target range of unrestricted reserves is between £500,000 and £1,500,000 to ensure that the charity can run efficiently and meet the needs of its beneficiaries. The Balance Sheet shows that the unrestricted reserves is £1,520k at the end of the financial year, which is outside the reserves range required by the policy. Applications to the charity valued at £608k were approved at the end of March. This gives a reserves balance available for future approvals of £912k, which is consistent with the reserves range.

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

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

Plans for future

In the coming years LHCH Charity aims to continue its work in raising funds in support of Liverpool Heart and Chest Hospital. In particular during the next 12 months, will seek to begin fundraising for a major capital campaign to encompass additional facilities for our Adult Congenital Heart patients, those seeking treatment for cancer and the development of a state-of-the-art Simulation Suite for the training of medical staff.

A strategy is being developed over the coming months to assist us with the planning of these major campaigns which will be overseen and supported by the Charitable Funds Committee and the Corporate Trustee. During this development phase the Charitable Funds Committee will review past fundraising initiatives and review the allocation of resources to the charity to enable it to fulfil its aims.

Investment Policy

The charity conforms to the investment powers given by the Charity Commission order for a NHS umbrella charity and the Trustee Act 2000.

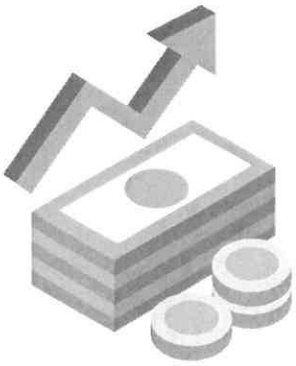
Charitable funds are invested by the Chief Finance Officer in accordance with the Trust's policy and subject to statutory requirements.

The members of the Charitable Funds Committee review the performance of investment and banking at the quarterly meetings. The Committee has decided that the Charities Official Invest Fund (COIF) is to be used for the investment of charitable funds. In year the Committee has chosen to invest their monies in the COIF charities ethical fund as this aligns with the Trust values and overall strategy as there are tighter restrictions on alcohol, tobacco and fossil fuels.

Amounts to be invested with COIF are decided by the Charitable Funds Committee. The amount originally invested in COIF was £400k. A further £300k was invested in September 2021. This investment has a current market value, as at 31st March 2023 of £1,141k (31/03/2022 - £1,165k).

At the end of the financial year the charity held £510k (2021/22 - £1,311k) in an instant access bank account. The charity has adopted the trust's policy on investments meaning that all cash balances must remain in a comparatively liquid form. All investments resulting must be realisable and have maturity not exceeding three months. The charity has one investment with COIF, which can be withdrawn within 7 days - in line with trust policy.

Cash deposits are invested in accordance with the Trust's Treasury Management Policy which has been adopted by the Charity.



Short-term investments should be invested with banks rated: A+ Moody's rating.

Long-term investments should be invested with banks rated: A+ Moody's rating. Dividends received are allocated to individual designated funds in proportion to their average closing balances for the relevant quarter.

The risk associated with the normal fluctuation in the value of investments are mitigated by holding investments in a diversified fund of investments and by only investing funds not required in the short or medium.

Fund Expenditure Policy

Expenditure against any Charitable Fund is conditional upon the item being within the terms of the appropriate fund and the procedures approved by the Board of Directors.

Before expenditure is incurred consideration is given to the following:

- The funds may be used for the benefit of hospital staff (both clinical and support) as long as it is in line with the objective of the fund and it does not go beyond what a good employer would consider reasonable to provide.
- The funds cannot be used to campaign or lobby on behalf of the Trust
- Should comply with the requirements of the Charities Act 2006 on the Public Benefit Test where there is an identifiable benefit or benefits and this benefit must be to the public or section of the public
- Should not generally be spent for the benefit of specific individuals
- To supplement the remuneration (directly or indirectly) of officers
- The authorised signatories must consider the following:-
- That the expenditure is within the general and specific restrictions placed upon the funds (the authorising officer must be aware of these)
- Must be applied for the purposes set out in the Governing Document
- That the funds are not freely available from other sources
- Must be applied with complete fairness between persons who are properly qualified to benefit from it.

Independent Examiners Report

The Trustees
Liverpool Heart and Chest Hospital Thomas Drive
Liverpool
Merseyside
LI4 3PE

McLintocks
Xeinadin Group

27th June 2023

Dear Sirs

The purpose of this Independent Examination memorandum is to highlight the key findings arising from the Independent Examination of Liverpool Heart and Chest Hospital Charity, for the year ended 31 March 2023.

This report relates only to those matters which came to our attention during our normal independent examination procedures which Included making enquiries, performing analytical procedures, assessing the consistency of application of your accounting policies and examining evidence relevant to certain balances. An independent examination is substantially less in scope and provides a lower level of assurance than an audit performed in accordance with ISAs (UK). Our examination is not designed to test all internal controls or identify all areas of control weakness. The independent examination of the financial statements does not relieve management or those charged with governance of their responsibilities for the preparation of the financial statements.

Generally we found the records extremely well kept. We actually have no points to raise which is a reflection on the high standard of records maintained and financial statements presented.

This report has been prepared solely for your use and should not be quoted in whole or in part without our prior written consent. We do not accept any responsibility for any loss occasioned to any third party acting, or refraining from acting on the basis of the content of this report, as this report was not prepared for, nor intended for, any other purpose.

We would like to take this opportunity to record our appreciation for the kind assistance provided by the finance team and other staff during the course of our independent examination.

Yours faithfully

Michael Caputo FCA
Mclintocks (NW} Limited

Annual accounts 2022/23

Trustee responsibilities statement

The trustees are responsible for preparing the Trustees' 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 trustees 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 year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;

- observe the methods and principles in the Charities SORP;

- 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; and

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping sufficient 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 Charity (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.

Signed on behalf of the trustee:

Bob Burgoyne
Chair of Charitable Funds Committee

Karen Edge
LHCH Chief Finance Officer
Financial Trustee

Liverpool Heart & Chest Hospital Charity

Annual Accounts for year ended 2022/23

Foreword

The Charity was created in 1996 under statutory instrument

The Charity exists for any charitable purpose or other purpose relating to the NHS wholly or mainly for t
provided by Liverpool Heart & Chest Hospital NHS Foundation Trust

:he service

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF LIVERPOOL HEART AND CHEST HOSPITAL CHARITABLE FUND

The trustees are responsible for preparing the Trustees' 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 trustees 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 year.

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- observe the methods and principles in the Charities SORP;

- 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; and

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping sufficient 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 Charity (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.

Bob Burgoyne
Chair of Charitable Funds Committee

Karen Edge
Financial Trustee

Statement of Financial Activities for the year ended 31 March 2023

	Note	2022-23 Total Funds £000	2021-22 Total Funds £000
Income and endowments from:	1.3		
Donations and legacies *	4.5	604	548
Other trading activities	4.6	13	8
Income from Investments **		2	0
Income from Charitable activities	6.4	74	1
Total income and endowments		**693**	**557**
Expenditure on:	1.6, 1.7, 3.1, 4.1		
Raising funds	1.9, 4.2	(191)	(164)
Charitable activities	4.3	(821)	(770)
Other expenditure	4.4	(4)	(3)
Total expenditure		**(1,016)**	**(937)**
Net gains/(losses) on investments	6.3	(23)	85
Net income/(expenditure) and net movement in funds		**(346)**	**(295)**
Reconciliation of funds:			
Total funds brought forward		**1,866**	**2,161**
Total funds carried forward		**1,520**	**1,866**

* £92k of the legacies received in 22/23 are restricted to equipment purchase only. The rest of the donations

Balance Sheet as at 31 March 2023

	Notes	Total at 31 March 2023 £000	Total at 31 March 2022 £000
Fixed Assets			
Investments	1.10, 6.1, 6.2	1,141	1,165
Total Fixed Assets		1,141	1,165
Current Assets			
Debtors	7.1	3	3
Stock		6	6
Cash at bank and in hand		510	1,311
Total Current Assets		519	1,320
Creditors: Amounts falling due within one year	8.1	(140)	(619)
Net Current Assets		379	701
Total Assets less Current Liabilities		1,520	1,866
Total Net Assets		**1,520**	1,866
Funds of the Charity			
Income Funds:			
Restricted		92	0
Unrestricted	9.0	1,428	1,866
Total Funds		**1,520**	**1,866**

The Financial statements on pages 17 to 27 were approved by the Trustee and authorised for issue on and are signed on their behalf by:

Signed:

Date: 05/12/2023

Statement of Cash Flows for the year ended 31 March 2023

	2022-23 Total Funds £000	2021-22 Total Funds £000
Cash flows from operating activites:		
Net cash provided by (used in) operating activities	(803)	(733)
Cash flows from investing activities:		
Dividends and interest from investments	2	0
Extra Investment	0	(300)
Net cash provided by (used in) investing activities	2	(300)
Change in cash and cash equivalents in the reporting period	(801)	(1,033)
Cash and cash equivalents at the beginning of the reporting period	1,311	2,344
Cash and cash equivalents at the end of the reporting period	510	1,311

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

	2022-23 £000	2021-22 £000
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(346)	(295)
Adjusted for:		
(Gains)/losses on investments	23	(85)
Dividends and interest from investments	(2)	0
(Increase)/decrease in stock	0	3
(Increase)/decrease in debtors	0	252
Increase/(decrease) in creditors	(479)	(608)
Net cash provided by (used in) operating activities	**(803)**	**(733)**

Analysis of cash and cash equivalents:

	2022-23 £000	2021-22 £000
Cash at bank and in hand	510	1,311
Total cash and cash equivalents	**510**	**1,311**

Notes to the Account

Accounting Policies 1

1.1 Accounting Convention

The financial statements have been prepared on the basis of historic cost convention, as modified for the revaluation of certain investments. The financial statements have also been prepared 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 (FRS 102) (effective 1 January 2019) and applicable UK accounting standards and the Charities Act 2011.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

1.2 Funds Structure

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. Liverpool Heart & Chest Hospital Charity does not have any expendable endowments. In 22/23, LHCH Charity received one legacy of £92k, which is restricted to equipment purchase only. All other donations and legacies are unrestricted.

Unrestricted income funds comprise those funds which the Trustee is free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds, where the donor has made known their non binding wishes or where the Trustee, at their discretion, have created a fund for a specific purpose.

1.3 Income Recognition

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 control over the rights or other access to the economic benefit has passed to the Charity;
ii) probable - when it is more likely than not that the economic benefits associated with the transaction or gift will flow to the Charity; and
iii) measurement - when the monetary value or amount of the income can be measured reliably and the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

1.4 Income from Donations and Legacies

Legacies are accounted for as incoming resources either upon receipt or where the receipt of the legacy is normally probable. This will be when:

i) there has been a grant of probate;
ii) the executors have established that there are sufficient assets in the estate, after settling any liabilities, to pay the legacy; and
iii) any conditions attached to the legacy are either within the control of the charity or have been met.

There are no material legacies which have been notified but not recognised as incoming resources in the Statement of Financial Activities.

1.4 Income from Donations and Legacies (cont'd)

a) Donations

i)

In 22/23 the Charity received one legacy of £92k, which the donor requested to be used solely on equipment purchases. The rest of the funds are unrestricted but may be designated. These include donations where particular parts of Liverpool Heart and Chest Hospital or its activities were nominated by the donor at the time that the donation was made. Whilst nomination is not binding on the Trustee, the designated funds reflect these nominations. The Charity does not have any other restricted funds.

ii)

Where a preference is not expressed by the donor then the donation is applied to Liverpool Heart and Chest Appeal which has four key elements to our fundraising aims;

- To raise funds for key pieces of medical equipment

- To develop the Enhancing the Healing Environment programme

- To support patient centred research

- To continually invest in our staff to improve their clinical techniques so that we can provide our patients with an unrivalled patient experience.

iii) Where possible the Trust reclaims tax on donations through the Gift Aid scheme.

1.5 Income from Charitable activities

a) Robert Owen House Accommodation Income

i) Robert Owen House provides inexpensive overnight accommodation for relatives and friends of patients. Income received is applied to the upkeep and day to day running costs of the house.

ii) Robert Owen House accommodation income is credited to incoming resources from Charitable Activities within the Statement of Financial Activities.

iii) Robert Owen House Income is credited net of VAT based on the date of occupancy.

iv) The Charity has treated income from Robert Owen House as Primary Purpose Trading and as such the profits are exempt from tax.

1.6 Expenditure

The funds held on Trust accounts are prepared in accordance with the accruals concept. All expenditure is recognised when all of the following criteria are met:

i) obligation - a present legal or constructive obligation exists at the reporting date as a result of a past event;
ii) probable - it is more likely than not that a transfer of economic benefits, often cash, will be required in settlement; and
iii) measurement - the amount of the obligation can be measured or estimated reliably.

Grants are mainly made to Liverpool Heart and Chest Hospital NHS Foundation Trust in furtherance of the charitable objects of the funds. A liability for such grants is recognised when approval had been given by the Trustee. The Foundation Trust has full knowledge of the plans of the Trustee, therefore a grant approval is taken to constitute a firm intention of payment which has been communicated to the Foundation Trust, and so a liability is recognised.
Expenditure on raising funds comprises the costs associated with attracting voluntary income.
Expenditure on Charitable activities comprises those costs incurred by the Charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and any costs of an indirect nature necessary to support them.

Governance costs include only those costs associated with meeting the constitutional and statutory requirements of the charity and include audit fees and costs linked to the strategic management of the charity.

1.7 Irrecoverable VAT

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

1.8 Governance Costs

Establishment costs and Audit fees are apportioned to resources expended based on the value of transactions within each cost category at the end of the year.

1.9 The Costs of Raising Funds

These costs are salaries and other expenses associated with the Liverpool Heart and Chest Charity Fundraising Team and day to day expenses incurred in running Robert Owen House.

1.10 Fixed Asset Investments

Investments are stated at market value at the balance sheet date.

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

1.12 Change in the Basis of Accounting

There has been no change in the basis of accounting this financial year.

2.0 Related Party Transactions

Under the guidance provided by the Financial Reporting Standard 8, Liverpool Heart & Chest Hospital NHS Foundation Trust is a related party as it is the Corporate Trustee of the charity. During the year the charity has had a number of material transactions with Liverpool Heart & Chest Hospital NHS Foundation Trust (e.g. grant giving). Details are included in note 12.

The Foundation Trust is the sole Trustee of the Liverpool Heart and Chest Charity and as such is considered to be a related party. During the year ended 31 March 2023, the Charity incurred £794k in expenditure and received £0k of income with the NHS Foundation Trust. Amounts owed by the Foundation Trust at 31 March 2023 were £0k and amounts owed to the Foundation Trust were £140k.

The Charitable Trust has made revenue payments to Liverpool Heart & Chest Hospital NHS Foundation Trust where agents of the Corporate Trustee (whose names are listed below) are also members of the Trust Board.

Bob Burgoyne - Chair of Charitable Funds Committee
Jane Tomkinson - Chief Executive
Karen Edge - Chief Finance Officer
Nick Brooks - Non Executive Director
Julian Farmer - Non Executive Director

The Trustee's did not receive any remuneration for work performed in relation to the Charity (2022-23: £nil).

Grants made to institutions 3.1

Name of recipient and number of grants	Aggregate amount paid 2023	Aggregate amount paid 2022
	£000	£000
Total resources expended	(1,016)	(937)
Less cost of generating funds	185	158
Less grants paid to individuals		
Less admin/audit and bank charges	37	36
Liverpool Heart & Chest Hospital NHS FT Trust	**(794)**	**(743)**

Analysis of Support Costs 4.1

Support costs are reapportioned across expenditure. The apportionment is based on the value of transactions within each of the expenditure categories reported.

The total value of support costs incurred in the reporting period is £33k and comprises £1k Establishment costs, £2k independent examiners fee and £31k Staffing Costs.

Expenditure on Raising Funds 4.2

	Total costs 2023 £000	Total funds raised 2023 £000	Total costs 2022 £000	Total funds raised 2022 £000
Fund raising costs	(191)	617	(164)	557
	(191)	**617**	**(164)**	**557**

Included within the cost of raising funds are the following staff costs:

	Net Cost £000	National Insurance Employer £000	Pension Employer £000	Gross Cost 2023 £000	Gross Cost 2022 £000
Fundraising Staff	**88**	**10**	**2**	**100**	**93**

The average number of staff employed during the year was 2 (2022/23: 2).

Robert Owen House Supplies has been reclassified as a charitable activities expenditure.

Charitable activities 4.3

	Total 2023 £000	Total 2022 £000
Staff Welfare	(200)	(405)
Contribution to Liverpool Heart & Chest research	(41)	0
Purchase of new equipment	(288)	(213)
Patient welfare	(11)	(6)
Education, training and research expenses	(83)	(9)
New building and refurbishment	(76)	(1)
Robot Running Costs	(40)	(70)
Robert Owen House Repairs	(17)	(18)
Robert Owen House Supplies	(65)	(48)
	(821)	(770)

Other expenditure 4.4

	Total 2023 Funds £000	Total 2022 Funds £000
Miscellaneous expenditure	(4)	(3)
	(4)	(3)

Note: Miscellaneous expenditure mainly consists of bank charges.

Donations and legacies 4.5

	Total 2022 £000	Total 2021 £000
Donations	(271)	(432)
ROH Donations	(52)	(3)
Legacies *	(197)	(44)
Just Giving/Events	(64)	(49)
Donations Research	(20)	(20)
	(604)	(548)

* £92k of the legacies received in 22/23 is restricted to equipment purchase. The rest are unrestricted.

Other trading activities 4.6

	Total 2022 £000	Total 2021 £000
LHCH Merchandise	(13)	(8)
	(13)	(8)

Net movement in Funds 5

	Total 2023 Funds £000	Total 2022 Funds £000
Opening Balance	1,866	2,161
Closing Balance	1,520	1,866
Net movement in funds for the year	(346)	(295)
Net movement in funds available for future activities	**(346)**	**(295)**

Analysis of Fixed Asset Investments 6

6.1 Fixed Asset Investments:

	2023 £000	2022 £000
Market value at 1st April	**1,165**	780
Additional Investment	**0**	300
Net gain/(loss) on revaluation	**(23)**	85
Market value at 31 March	**1,142**	**1,165**
Historic cost at 31 March	**700**	700

6.2 Market value at 31 March :

	Held in UK £000	**2023 Total £000**	2022 Total £000
Investments in a Common Deposit Fund / Common Investment Fund	1,142	**1,142**	1,165
	1,142	**1,142**	1,165

Analysis of gross income from investments 6.3 Total gross income

	Held in UK £000	**2022-23 Total £000**	2021-22 Total £000
Investments in a Common Deposit Fund / Common Investment Fund	(23)	(23)	85
	(23)	**(23)**	85

6.4 Income from Charitable activities

	2022-23 Total £000	2021-22 Total £000
Income from Robert Owen House accommodation/telephone charges and fundraising sales	74	1
	74	1

6.5 Other income

	2023 Total £000	2022 Total £000
	2	0
Interest on short term deposit	2	0

The Corporate Trustees adopted the Treasury Management Policy of Liverpool Heart & Chest Hospital NHS FT & Chest Hospital NHS FT in respect of investments. The majority of cash balances are placed with Barclays, which attracts an interest rate of 0.14%.

Analysis of Debtors

7 Debtors (including trade debtors and loans receivable) are measured on initial recognition at settlement amount after any trade discounts or amount advanced by the charity. Subsequently, they are measured at the cash or other consideration expected to be received.

7.1

	2023 £000	2022 £000
Donations and legacies	0	0
Other debtors	0	0
Prepayments	3	3
Total debtors falling due within one year	**3**	3
Total debtors	**3**	**3**

Analysis of Creditors

8 The charity has creditors which are measured at settlement amounts less any trade discounts.

8.1 Amounts falling due within one year:	2023 £000	2022 £000
Trade creditors	0	0
Accruals	(109)	(619)
Balance owed to Liverpool Heart & Chest	(31)	0
Total creditors falling due within one year	**(140)**	(619)
Total creditors	**(140)**	**(619)**

Details of charitable funds	9.0	Name of fund	Balance b/fwd 01 April 2022 £000	Incoming resources £000	Resources expended £000	Gains and (losses) £000	Balance c/fwd 31 March 2023 £000
		Material designated funds					
		A Robert Owen House	76	126	-84	22	140
		B Heart Appeal	156	2	-4	9	163
		C LHCH Charity	1,062	476	-770	-59	709
		D Lung Cancer	76	1	-2	4	79
		E Robotics Fund	151	0	-39	-7	105
		F Cystic Fibrosis	67	0	-4	3	66
		Total material designated	1,588	605	-903	-28	1,262
		Misc. designated	278	88	-113	5	258
		Total charitable funds	**1,866**	**693**	**-1,016**	**-23**	**1,520**

Material funds are deemed at being in excess of £50,000
Robert Owen House provides inexpensive relatives accommodation.
The Heart Appeal purchases equipment on behalf of the Liverpool Heart & Chest Hospital NHS Foundation Trust. The
The LHCH Charity is for any charitable purpose or purposes relating to services provided by LHCH NHS FT.
The Lung Cancer funds facilitates education and research into adult lung cancer and provides support for patients with this condition.
The Robotics Fund was created for a specific campaign in 2017-18 to fund a Davinci Robot purchased to improve outcomes and recovery time for patients
In 22/23, the Charity received £92k legacy which is restricted to equipment puchases. This legacy was not utilised in 22/23.

Contingencies **10** There are no contingent losses or gains included in the accounts

Commitments, Liabilities and Provisions **11** There are no commitments, contingent liabilities or provisions included in 2022-23

11.1 There are no commitments or provisions included in the accounts

Trustee and Connected Persons Transactions **12**

12.1 The Charitable Trust delivers the charitable objectives by making grants to the Liverpool Heart & Chest Hospital NHS Foundation Trust. Grants made amounted to £794k in 2022/2023 (2021/22 £743k).

At 31st March 2023, £140k was owed to the Liverpool Heart & Chest Hospital NHS Foundation Trust (2021/22 £619k).

12.2 There was no Trustee indemnity insurance during the year.

Loans or Guarantees Secured against assets of the charity **13** There were no loans or guarantees secured against assets of the Charity.

THE LIVERPOOL HEART AND CHEST HOSPITAL CHARITY

England & Wales - Charity number 1052813

Accounts

Liverpool Heart and Chest Hospital Charity

Annual Report 2021/22

LHCH charity

Caring for people with heart and lung disease

Charity Registration Number 1052813

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LHCH charity

Caring for people with heart and lung disease

Chairman's welcome

Welcome to our annual report for 2021/22.

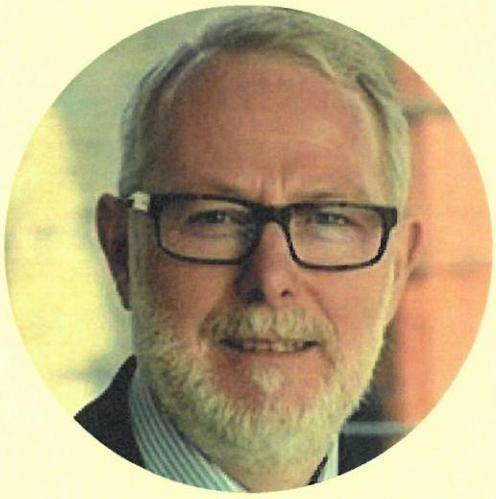
The effect of the Covid-19 pandemic continued to be challenging for both the hospital and the charity during the financial year, exacerbated by the difficult and volatile economic climate in which we operate.

However, our donors have continued to be overwhelmingly generous in their support and it is thanks to them that we have been able to continue and expand on the assistance that we have been able to give during the past 12 months. We owe them an enormous debt of gratitude for their help.

Services that were introduced during the previous year with charitable support – such as tele-medicine have proved so popular, with both patients and staff alike, that they have continued - reducing the need for unnecessary travel and making the best use of staff time. This is also true of the tablets provided to patients to stay in touch with their loved ones as visiting continued to be restricted to reduce infection rates.

In addition, we were able to support new developments in key areas with the purchase of, amongst others, a Transcranial Doppler Ultrasound. This monitors the blood flow to the brain during complicated aortic surgery, with the aim of reducing the incidence of stroke in patients undergoing these procedures. We are proud to say that LHCH is the first hospital in Europe to be able to offer this vitally important addition to our patients.

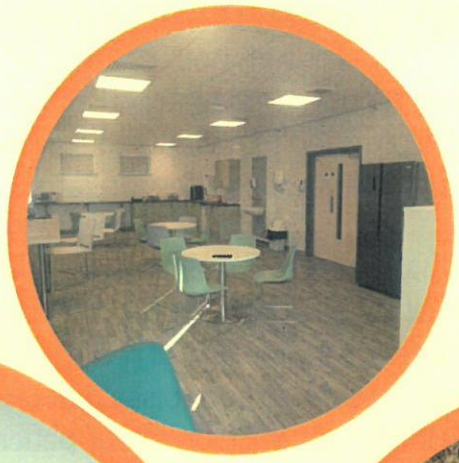
Another notable enhancement was the delivery of the new Mobile Spirometry Unit which is helping us not only deal with those waiting for lung diagnoses but will, in future, be used to help reach those who are living in economically deprived areas. This new venture has been made possible through a collaboration between LHCH Charity and the University of Liverpool and is the first success of what we hope will be a continuing and fruitful partnership.

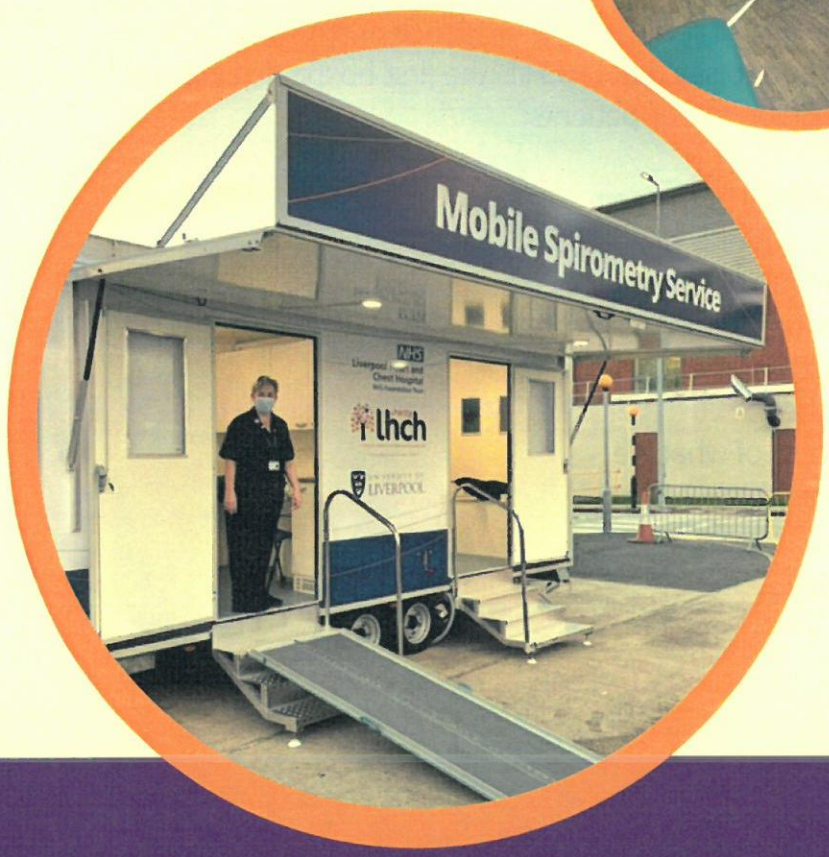


Bob Burgoyne – Chairman LHCH Charity

Key highlights of our year

- Introduction of the Mobile Spirometry Unit
- Official opening of the Sir Ken Dodd Training and Education Centre
- Refurbishing our Critical Care Staff Room improving staff well-being for those caring for some of our most poorly patients
- Providing Audio-Visual Equipment for the new Cath Labs enabling live communication for teaching/training purposes





Who we are

The Object of LHCH Charity is:-

"For any charitable purpose or purposes relating to the National Health Service wholly or mainly for the service provided by the Liverpool Heart and Chest Hospital NHS Foundation Trust".

Aims of LHCH Charity:-

LHCH Charity aims to support Liverpool Heart and Chest Hospital in its care and treatment of patients, their families and staff by:

1. **Extending the Excellence**
   Providing additional amenities and support for our patients, their families and our staff. Many of our patients travel long distance to access our specialist services and we help by providing accommodation for family and loved ones during what is often a very stressful time.

2. **Tomorrow's medicine today**
   Research undertaken at Liverpool Heart and Chest Hospital could change the way heart and lung medicine is practised in the future.

3. **The latest and the best**
   The LHCH Charity ensures that wherever possible our dedicated medical staff have access to the very latest and best in equipment and training. In this way we can make sure that our patients are always receiving the most up to date treatments available.

By doing this LHCH Charity ensures that its legal purpose is fulfilled

How we achieve our aims

The strategy for achieving our aims breaks down into two separate strands:-

1. Identification of areas for support
2. A strategy for fundraising for the identified areas

a) Identification of areas for support

LHCH Charity, in conjunction with the Consultants Fundraising Group, Charitable Funds Committee and Executive Team of the hospital, identify projects that have a criteria that fits within the 3 aims. These projects are broken down by size in terms of cost into short, medium or longer term projects.

In addition each of the Funds which sit underneath the charity umbrella have been requested to complete a form indicating how they propose to spend monies within each 12 month period. The recommendation for each Fund is that in line with best practice at least 33% of the Fund's opening balance is spent within the year unless they are planning on building funds towards a specific service or item of equipment.

b) Fundraising Strategy for identified projects.

The Head of Fundraising produces a yearly strategy which identifies the potential for fundraising for the short term aims (usually required within the financial year) as well as providing details of plans for achieving the medium and long term goals including Income and Expenditure projections as well as a Fundraising Ratio Cost and a Return on Investment Cost. This is approved by the Charitable Funds Committee and then, ultimately, the Corporate Trustee.

The Fundraising Strategy is then evaluated at each meeting of the Charitable Funds Committee in relation to its progress in achieving the support required for each of the projects.

How LHCH Charity Fundraises

LHCH Charity is guided in all of its fundraising by the Code of Fundraising Practice. Campaigns are run and managed by the charity's staff and the charity does not work with professional fundraisers or commercial participators in generating funds.

During the year LHCH Charity received no complaints from its donors or others about the standard of its fundraising approaches. It received no requests from the Fundraising Preference Service for donors to be removed from the database.

LHCH Charity and Social Investment

LHCH Charity was not involved in any social investment during the past 12 months

LHCH Charity and Grant Making

LHCH Charity was not involved in making grants to external organisations during the last 12 months but did make several grants to internal projects as per our aims and objectives during the year.

LHCH Charity and Donated Goods, services and volunteers

The Charity does occasionally receive goods for re-sale in its office at the hospital. These are recorded as gift in kind items and processed through the till with other purchased merchandise. If a gift equalling more than £1,000 is received then this is reported to the Charitable Funds Committee for noting.

The Charity did not work with any volunteers during the past 12 months.

Public benefit

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

The focus of our activities is to benefit the public who utilise the services of Liverpool Heart and Chest NHS Foundation Trust. This hospital mainly services the community of Cheshire, Merseyside, North Wales and the Isle of Man, all of whom have equal access to its facilities. Charitable expenditure is made by way of direct grants to the Liverpool Heart and Chest Hospital NHS Foundation Trust, to enhance the patient care already provided.

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

During the year the funds raised were distributed to provide a wide range of benefits, over and above what would be expected from statutory sources to our patients, their families and our staff.

The agents of the Corporate Trustee have complied with their duty to have due regard to the guidance on public benefit published by the Charities Commission in exercising their powers or duties.

Our achievements

Like many charities LHCH Charity continued to face significant challenges during the financial year. The on-going Covid-19 pandemic once again considerably reduced our ability to hold events for the first part of the year. In addition the reduction in out-patient attendance and patient visiting lowered our merchandise sales through the office. Despite this we were still able to make a significant contribution to the health and well-being of our patients, their families and our staff.

The latest and the best

The Mobile Spirometry Unit

In partnership with the University of Liverpool, LHCH Charity was able to secure a grant of £156,000 to develop a new mobile spirometry unit which has been based at the hospital since September 2021.

This new unit offers additional clinic space to assist in the rapid diagnosis of those with lung problems helping to reduce waiting times. In the future, it will be used as a mobile unit to visit areas identified as having both social, economic and health deprivation. As well as providing access to health services, it will help to identify any early stage lung problems when they are most treatable.

The Transcranial Doppler Ultrasound (TDU)

As a leading specialist centre in heart surgery LHCH undertakes many of the most complicated procedures which can take many hours to complete. For those undergoing these operations the risk of stroke can be heightened. To help surgical teams the TDU assists with the monitoring of blood flow to the brain during surgery helping them to identify any risks and providing them with the opportunity to modify treatment and significantly reduce the risk of stroke to the patient.

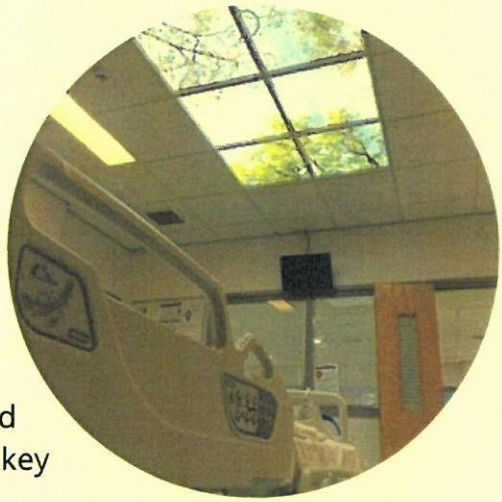
As the first hospital in Europe to have access to this equipment LHCH will also be leading the way in assessing and benchmarking standards for other heart specialists in the future.

The Lucas Chest Compression Device

LHCH Charity was proud to be able to support the purchase of a new Lucas Chest Compression Device which has been medically proven to increase survival rates for those experiencing prolonged cardiac arrests. Providing on-going chest compressions (for up to 90 minutes in some cases) would be impossible for staff yet the device can continue to provide good quality compressions allowing for extra time for other clinical interventions – providing our patients with the best possible chance for recovery.

Extending the Excellence

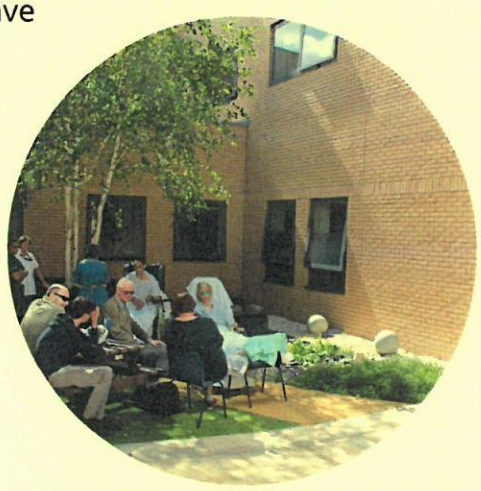
The Critical Care Unit Garden and Family Facilities



A major campaign raised nearly £100,000 for our Critical Care Unit which assisted with three major initiatives.

Firstly, we were able to purchase Sky Ceiling Tiles for 6 of our critical care rooms which had no access to outside light to help reduce the incidence of delirium in our most poorly patients. Studies have shown that by not being able to recognise day and night many patients can become disassociated which can be a key factor in the development of delirium.

Secondly, we were able to refurbish the family areas within the unit – providing a more comfortable and welcoming space for those who sometimes have to spend many hours with us.



Finally, we were able to refurbish and refresh the Critical Care garden. This now provides a wonderful calm and relaxing space that is completely weather-proof and provides our patients, when they are feeling well enough, and our visitors with access to fresh air and the chance to enjoy being outside again.

Tomorrow's medicine today

Supporting research is a key part of the remit of LHCH Charity. During the past year the charity has supported a number of research initiatives including a grant of £20,000 in support of the work of a Patient Research Ambassador.

In addition LHCH Charity was able to provide £150,000 towards the purchase of audio-visual equipment within the new Cath Lab development which will aid the training and education of the medical staff of tomorrow.

Monitoring our Performance

LHCH Charity, through the Charitable Funds Committee and ultimately the Corporate Trustee, benchmarks its performance in a number of ways:-

- It identifies fundraising projects and measure its fundraising achievement against the targets set for the achievement of each project.
- It reviews the external factors which may affect the charity including national and local economic forecasts
- It provides comparator information with similar charities and measures itself against them in terms of performance, percentage fundraising costs and return on investment.

LHCH Charity achieved significant success during the year but did not quite reach its fundraising target due to two issues. Firstly two legacies which should have been received during the year did not complete and secondly a major bid to a charitable trust was unable to move forward due to delays.

However, a target of £557,000 was achieved from a good balance of major gifts from charitable trusts, legacies, corporate support and donations from our supporters have helped us to achieve this figure which enabled us to do so much more than would have been possible during a very challenging year for the hospital.

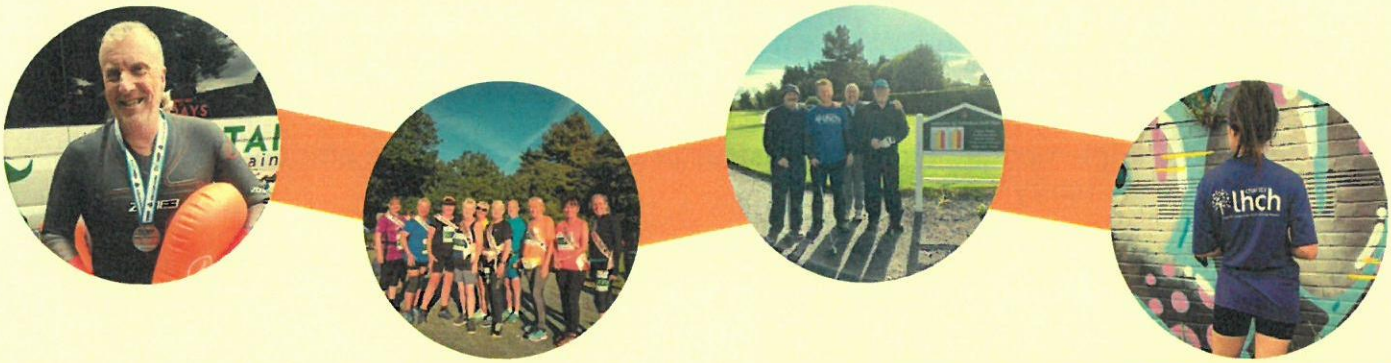
How our Supporters Helped

Our supporters continue to provide outstanding assistance in helping LHCH Charity make a difference for our patients, their families and our staff. During the year they once again showed that they would go to extraordinary lengths to raise funds including:-

The Grange Senior School – who rowed the equivalent of Liverpool to Zurich in 24 hours – this amazing feat raised over £4,000 and counting. Not to be outdone by the youngsters Ian Parkin took part in the Coniston End to End Swim raising £1,262.

Of course it wasn't only individuals who helped but companies, charitable trusts and groups and organisations also played their part helping us to make a real difference to thousands of lives during the year.

To all who responded whether you undertook a marathon or wrote a cheque – from everyone here at LHCH thank you from the bottom of our hearts.



How You Can Help

You can get involved with LHCH Charity by:-

Ringing the Charity Office on: 0151 600 1409

Email us at enquiries@lhchcharity.org.uk

Writing to us at: LHCH Charity, Freepost RRLL-KSHT-ZLKE, Thomas Drive, Liverpool L14 3PE

There are so many things you can do:

- Show your support by **making a donation** by post, online or by calling the Charity Office

- Be one of our **Charity Ambassadors** and use your time to promote our work and get people involved – even set up your own local fundraising group

- **Volunteer** – you can help at events, at the Charity Office, be a collection box and badge placer, you can even work at home helping us with research

Structure, governance and management

Charity Structure

LHCH Charity is an umbrella charity which holds a number of individual funds under one Charity Registration Number (Charity Registration Number 1052813). The overall responsibility for the running of the charity lies with the Corporate Trustee i.e. the Board of Directors of Liverpool Heart and Chest Hospital.

The Charitable Funds Committee is established as a Committee of the Board of Directors of Liverpool Heart and Chest Hospital NHS Foundation Trust in order to ensure the Trust's duty as Corporate Trustee of its Charitable Funds has been discharged.

The Charitable Funds Committee operates within Terms of Reference authorised by the Board of Directors of Liverpool Heart and Chest Hospital NHS Foundation Trust. The Committee has no executive powers other than those specifically delegated in its Terms of Reference which are:-

- Develop the strategy and objectives for the Charity for consideration and approval by the Corporate Trustee.
- Oversee the implementation of an infrastructure appropriate to the efficient and effective running of the Charity
- Oversee the development and delivery of the Fundraising Strategy, as aligned to the Trust's annual plan
- Oversee the expenditure of the Charity
- Oversee the Charity's Investment Plans
- Monitor the performance of all aspects of the Charity's activities and ensure that it adheres to the principles of good governance and complies with all relevant legal requirements
- Act as the Committee that discharges the Board's responsibilities (as sole Corporate Trustee) as they relate to Charitable Funds under the Trust's custodianship.
- Ensure that the charitable funds held by the Trust are managed in a manner consistent with the requirements of the relevant regulatory and statutory frameworks and in accordance with the guidance on NHS Charities set out by the Charity Commission.
- When in this role act solely in the best interests of the Charity and in a manner consistent with the Charity Commission's requirements and expectations of the Corporate Trustee.
- Oversee the Charity's strategy, governance, major plans and key risks on behalf of the Corporate Trustee.

- Establish, prioritise and approve major fundraising projects in accordance with the strategy and approve expenditure items in accordance with delegated authority levels set out in Standing Financial Instructions.
- Monitor the performance of fundraising and marketing activity, ensuring that the return on investment is satisfactory and that income targets are met.
- Devise and implement an investment strategy for the charity, including the appointment and monitoring of any investment managers
- Ensure the approval and submission of statutory returns, annual accounts and Trustee's Report in accordance with the Charity Commission's Statement of Recommended Practice.
- Approve any policies and procedures required for the effective management of the Fund
- Members of the Charitable Fund Committee attend quarterly Charitable Funds meetings.

Recruitment and appointment of Trustees

Non-Executive Members of the Board of Directors are appointed by the Council of Governors and Executive Members of the Board are subject to recruitment by the Nominations and Remuneration Committee (Executive). Members of the Board of Directors and the Charitable Funds Committee are not individual Trustees under Charity Law but act as agents on behalf of the Corporate Trustee.

Trustee Training and Induction

The Trust sees Trustee training as important and has provided access to resources and materials including:-

• LHCH Charity is a member of NHS Charities Together and regularly receives updates from this source. In addition Trustees were able to attend a number of courses organised by NHSCT including:-

Legal Issues for NHS Charities
Accounting, Audit and Governance
The Festival of Trusteeship

• The Trustees also have the opportunity to access the Resource Library provided by the Fundraising Regulator which has a wide range of guidance for Trustees

• Trustees also have regular meetings with CCLA (the Charity's Investment Managers) who provide briefing on the status of the current portfolio, the results and predicted future performance.

Trustee Duties

The Corporate Trustee fulfils its legal duty by ensuring that funds are spent in accordance with the objects of each fund and by designating funds, the Trustee respects the wishes of our generous donors for the advancement of health or saving lives, to provide patient and staff benefit or for the advancement of education and research.

Day to day management

The Trust has in place a scheme of reservation and delegation to support the day to day management of the charity.

The Head of Fundraising oversees the day to day running of the charity and the planning of fundraising activities for the charity. The Head of Financial Services acts as the principal officer overseeing the day to day financial management and accounting for the charitable funds during the year.

The charity does not directly employ any staff. The charity funds staffing costs of fundraising and administration staff who run and support the charity. These staffing contracts are held by the Foundation Trust and recharged accordingly. Pay grades for those working within the Charity are set using NHS Pay Scales.

Related parties

The Liverpool Heart and Chest Hospital NHS Foundation Trust is the main beneficiary of the charity and is a related party by virtue of being Corporate Trustee of the charity. The accounts of the charity are not consolidated into the accounts of the Trust as they are not material.

Charitable Funds

The Charity's unrestricted fund was established using the model declaration of trust and all funds held on trust as at the date of registration were part of this unrestricted fund. Subsequent donations and gifts received by the charity that are attributable to the original fund are added to those fund balances within the existing charity.

Risk Management

Using the NHS Trust's own Risk Register policies and procedures, the Trustees have considered potential risks to which the charity is exposed. The LHCH Charity Risk Register is reviewed annually by the Charitable Funds Committee.

There are no major risks that have been identified

Contact us, Trustee and Advisors

Liverpool Heart and Chest Hospital Charity
Registered Charity Number: 1052813
(previous names: The Heart Appeal, The Merseybeat Appeal)

Members of the Liverpool Heart and Chest Hospital Board of Directors
who served during the financial year were as follows:-

Name	Title
Nicholas Brooks	Non - Executive Director
Mark Jones	Non - Executive Director until September 2021
Margaret Carney	Non - Executive Director from September 2021
Julian Farmer	Non - Executive Director
Bob Burgoyne	Non - Executive Director
Karen O'Hagan	Non - Executive Director
Neil Large	Chairman
Jane Tomkinson	Chief Executive Officer
Raphael Perry	Medical Director & Deputy CEO
Karen Edge	Chief Finance Officer
Sue Pemberton	Director of Nursing & Quality
Hayley Kendall	Chief Operating Officer

Principal Financial Advisor

Banker	Solicitor
Barclays Bank Plc North West Larger Businesses P O Box 378 71 Grey Street Newcastle Upon Tyne NE99 1JP	Hill Dickinson Pearl Assurance House Derby Square Liverpool L2 9XL

Investment Broker	Independent Examiner
CCLA Investment Management Senator House, 85 Queen Victoria Street, London EC4V 4ET	McLintocks (NW) Limited 2 Hillards Court Chester Business Park Chester CH4 9PX

Responsibility for the on-going management of funds is delegated by the Corporate Trustee to the Charitable Funds Committee which administers the funds on behalf of the Corporate Trustee. The names of the people who served as agents for the Corporate Trustee, as permitted under regulations 16 of the NHS Trust's (Membership and Procedures) Regulations 1990, were as follows:-

Name	Title
Julian Farmer	Non - Executive Director
Nicholas Brooks	Non - Executive Director
Bob Burgoyne	Non - Executive Director
Jane Tomkinson	Chief Executive Officer
Karen Edge	Chief Finance Officer

Principal office

The principal office for the charity is:
Liverpool Heart and Chest Hospital Charity
Thomas Drive
Liverpool
L14 3PE

For more information on the LHCH Charity please visit our website at www.lhchcharity.org.uk

Financial Review

The financial statements have been prepared in accordance with the historic cost basis, with the exception of investments which are included at re-valued amounts. The financial statements have been prepared on the going concern basis and in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities (SORP 2019)" updated in January 2019, applicable to charities preparing their accounts in accordance with the financial reporting standard applicable in the UK and Republic of Ireland (FRS 102), effective 1st January 2019.

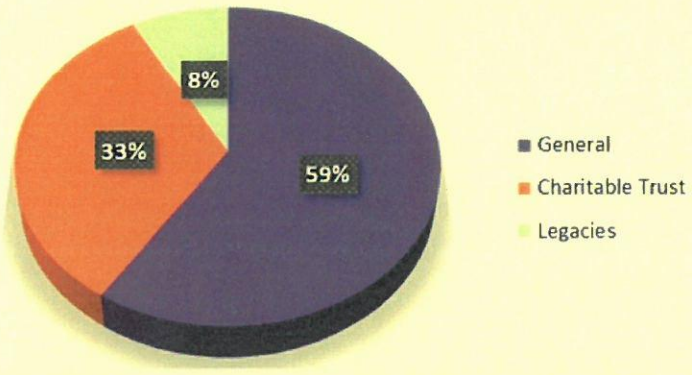
The net assets of the charitable fund as at 31st March 2022 were £1,866 (2020/21 £2,161k), a decrease of £295k during the financial year.

Total incoming resources this year amounted to £557k (2020/21 £1322k). Donations from charitable trusts played a significant part in this with a donation of £156,000 for the Mobile Spirometry Unit. Legacy income was significantly reduced on the year before amounting to some £44,430 compared to £342,672 in the previous year. Of the total expenditure of £937k (2020/21 £982k), expenditure on charitable activities was £770k (2020/21 £852k) and expenditure on raising funds was £164k (2020/21 £127k).

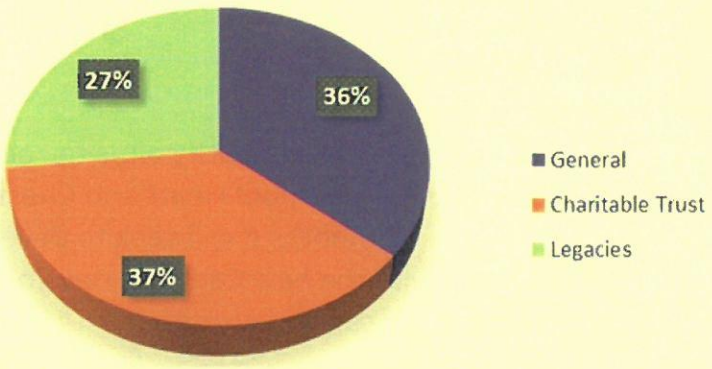
Income summary Table

		2021-22	2020-21
Donations	**General**	**£324,708**	**£462,355**
	Charitable Trusts	**£178,750**	**£486,400**
	Legacies	**£44,430**	**£344,273**
	Total	**£547,888**	**£1,293,028**

Breakdown of Income Sources 2021/22



Breakdown of Income Sources 2020/21



Going Concern

The Trustee has a reasonable expectation that the Charity has adequate resources to continue as a going concern. Expenditure is discretionary and balanced against the reserves policy requirements. Accounting for income and expenditure is on an accruals basis to ensure all committed expenditure is reflected in the reporting process, and the Charity has sufficient resources to meet its committed expenditure for 12 months from the date that the financial statements were approved by the Charitable Funds Committee.

Reserves policy

RESERVED

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

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

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

Therefore, the Trustee considers it prudent that the target range of unrestricted reserves is between £500,000 and £1,500,000 to ensure that the charity can run efficiently and meet the needs of its beneficiaries. The Balance Sheet shows that the unrestricted reserves is £1,866k at the end of the financial year, which is outside the reserves range required by the policy. Applications to the charity valued at £712k were approved at the end of March. This gives a reserves balance available for future approvals of £1,154k, which is consistent with the reserves range.

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

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

Plans for future

In the coming years LHCH Charity aims to continue its work in raising funds in support of Liverpool Heart and Chest Hospital. In particular during the next 12 months it will seek to develop two major campaigns firstly to assist with the new Cath Lab development and also for equipment for our cancer services.

A strategy is being developed over the coming months to assist us with the planning of these major campaigns which will be overseen and supported by the Charitable Funds Committee and the Corporate Trustee. During this development phase the Charitable Funds Committee will review past fundraising initiatives and review the allocation of resources to the charity to enable it to fulfil its aims.

Investment Policy

The charity conforms to the investment powers given by the Charity Commission order for a NHS umbrella charity and the Trustee Act 2000.

Charitable funds are invested by the Chief Finance Officer in accordance with the Trust's policy and subject to statutory requirements.

The members of the Charitable Funds Committee review the performance of investment and banking at the quarterly meetings. The Committee has decided that the Charities Official Invest Fund (COIF) is to be used for the investment of charitable funds. In year the Committee has chosen to invest their monies in the COIF charities ethical fund as this aligns with the Trust values and overall strategy as there are tighter restrictions on alcohol, tobacco and fossil fuels.

Amounts to be invested with COIF are decided by the Charitable Funds Committee. The amount originally invested in COIF was £400k. A further £300k was invested in September 2021. This investment has a current market value, as at 31st March 2022 of £1,165k (31/03/2021 - £780k).

At the end of the financial year the charity held £1,311k (2020/21 - £2,344k) in an instant access bank account. The charity has adopted the trust's policy on investments meaning that all cash balances must remain in a comparatively liquid form. All investments resulting must be realisable and have maturity not exceeding three months. The charity has one investment with COIF, which can be withdrawn within 7 days - in line with trust policy.

Cash deposits are invested in accordance with the Trust's Treasury Management Policy which has been adopted by the Charity.

Short-term investments should be invested with banks rated: A+ Moody's rating.

Long-term investments should be invested with banks rated: A+ Moody's rating. Dividends received are allocated to individual designated funds in proportion to their average closing balances for the relevant quarter.

The risk associated with the normal fluctuation in the value of investments are mitigated by holding investments in a diversified fund of investments and by only investing funds not required in the short or medium.

Fund Expenditure Policy

Expenditure against any Charitable Fund is conditional upon the item being within the terms of the appropriate fund and the procedures approved by the Board of Directors.

Before expenditure is incurred consideration is given to the following:

- The funds may be used for the benefit of hospital staff (both clinical and support) as long as it is in line with the objective of the fund and it does not go beyond what a good employer would consider reasonable to provide.
- The funds cannot be used to campaign or lobby on behalf of the Trust
- Should comply with the requirements of the Charities Act 2006 on the Public Benefit Test where there is an identifiable benefit or benefits and this benefit must be to the public or section of the public
- Should not generally be spent for the benefit of specific individuals
- To supplement the remuneration (directly or indirectly) of officers
- The authorised signatories must consider the following:-
- That the expenditure is within the general and specific restrictions placed upon the funds (the authorising officer must be aware of these)
- Must be applied for the purposes set out in the Governing Document
- That the funds are not freely available from other sources
- Must be applied with complete fairness between persons who are properly qualified to benefit from it.

Independent Examiners Report

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF LIVERPOOL HEART AND CHEST HOSPITAL

I report to the trustees on my examination of the accounts Liverpool Heart and chest Hospital (Charity No: 1052813) for the year ended 31st March 2022, which are set out on pages 21 to 32.

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

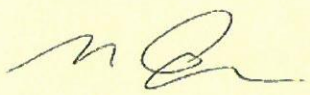
I report in respect of my examination of the Charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination, I have followed all the applicable directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

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

I have completed my examination. I can confirm that no material matters have come to my attention in connection with the examination which gives me cause to believe in, any material respect,:
• the accounting records were not kept in accordance with section 130 of the Act; or
• the accounts did not accord with the accounting records; or
• the accounts did not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

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



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

Annual accounts 2021/22

Trustee responsibilities statement

The trustees are responsible for preparing the Trustees' 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 trustees 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 year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;

- observe the methods and principles in the Charities SORP;

- 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; and

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping sufficient 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 Charity (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.

Signed on behalf of the trustee:

Bob Burgoyne
Chair of Charitable Funds Committee

Karen Edge
LHCH Chief Finance Officer
Financial Trustee

Liverpool Heart & Chest Hospital Charity

Annual Accounts for year ended 2021/22

Foreword

The Charity was created in 1996 under statutory instrument

The Charity exists for any charitable purpose or other purpose relating to the NHS wholly or mainly for the service provided by Liverpool Heart & Chest Hospital NHS Foundation Trust

The trustees are responsible for preparing the Trustees' 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 trustees 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 year.

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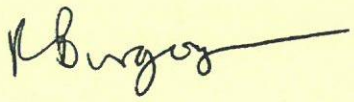

Bob Burgoyne
Chair of Charitable Funds Committee

Karen Edge
Financial Trustee

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF LIVERPOOL HEART AND CHEST HOSPITAL CHARITABLE FUND

Statement of Financial Activities for the year ended 31 March 2021

	Note	2021-22 Total Funds £000	2020-21 Total Funds £000
Income and endowments from:	1.3		
Donations and legacies	4.5	548	1,293
Other trading activities	4.6	8	4
Income from Investments *		0	24
Income from Charitable activities	6.4	1	1
Total income and endowments		**557**	**1,322**
Expenditure on:	1.6, 1.7, 3.1, 4.1		
Raising funds	1.9, 4.2	(164)	(127)
Charitable activities	4.3	(770)	(852)
Other expenditure	4.4	(3)	(3)
Total expenditure		**(937)**	**(982)**
Net gains/(losses) on investments	9	85	134
Net income/(expenditure) and net movement in funds		**(295)**	**474**
Reconciliation of funds:			
Total funds brought forward		**2,161**	**1,687**
Total funds carried forward		**1,866**	**2,161**

All the Charity's funds are unrestricted.

Balance Sheet as at 31 March 2021

	Notes	Total at 31 March 2022 £000	Total at 31 March 2021 £000
Fixed Assets			
Investments	1.10, 6.1, 6.2	1,165	780
Total Fixed Assets		1,165	780
Current Assets			
Debtors	7.1	3	255
Stock		6	9
Cash at bank and in hand		1,311	2,344
Total Current Assets		1,320	2,608
Creditors: Amounts falling due within one year	8.1	(619)	(1,227)
Net Current Assets		701	1,381
Total Assets less Current Liabilities		1,866	2,161
Total Net Assets		**1,866**	2,161
Funds of the Charity			
Income Funds:			
Unrestricted	9.0	1,866	2,161
Total Funds		**1,866**	2,161

The Financial statements on pages 21 to 32 were approved by the Trustee and authorised for issue on and are signed on their behalf by:

Signed:

Date: 20/12

Statement of Cash Flows for the year ended 31 March 2021

	2021-22 Total Funds £000	2020-21 Total Funds £000
Cash flows from operating activites:		
Net cash provided by (used in) operating activities	(733)	1,033
Cash flows from investing activities:		
Dividends and interest from investments	0	24
Extra Investment	(300)	0
Net cash provided by (used in) investing activities	(300)	24
Change in cash and cash equivalents in the reporting period	(1,033)	1,057
Cash and cash equivalents at the beginning of the reporting period	2,344	1,287
Cash and cash equivalents at the end of the reporting period	1,311	2,344

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

	2021-22 £000	2020-21 £000
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(295)	474
Adjusted for:		
(Gains)/losses on investments	(85)	(134)
Dividends and interest from investments	0	(24)
(Increase)/decrease in stock	3	(5)
(Increase)/decrease in debtors	252	(255)
Increase/(decrease) in creditors	(608)	977
Net cash provided by (used in) operating activities	(733)	**1,033**

Analysis of cash and cash equivalents:

	2021-22 £000	2020-21 £000
Cash at bank and in hand	1,311	2,344
Total cash and cash equivalents	**1,311**	**2,344**

Notes to the Account

Accounting Policies **1**

1.1 Accounting Convention

The financial statements have been prepared on the basis of historic cost convention, as modified for the revaluation of certain investments. The financial statements have also been prepared 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 (FRS 102) (effective 1 January 2019) and applicable UK accounting standards and the Charities Act 2011.

1.2 Funds Structure

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. Liverpool Heart & Chest Hospital Charity does not have any restricted funds or expendable endowments.

Unrestricted income funds comprise those funds which the Trustee is free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds, where the donor has made known their non binding wishes or where the Trustee, at their discretion, have created a fund for a specific purpose.

1.3 Income Recognition

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 control over the rights or other access to the economic benefit has passed to the Charity;
ii) probable - when it is more likely than not that the economic benefits associated with the transaction or gift will flow to the Charity; and
iii) measurement - when the monetary value or amount of the income can be measured reliably and the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

1.4 Income from Donations and Legacies

Legacies are accounted for as incoming resources either upon receipt or where the receipt of the legacy is normally probable. This will be when:

i) there has been a grant of probate;
ii) the executors have established that there are sufficient assets in the estate, after settling any liabilities, to pay the legacy; and
iii) any conditions attached to the legacy are either within the control of the charity or have been met.

There are no material legacies which have been notified but not recognised as incoming resources in the Statement of Financial Activities.

1.4 Income from Donations and Legacies (cont'd)

a) Donations

i) All funds are unrestricted but may be designated. These include donations where particular parts of Liverpool Heart and Chest Hospital or its activities were nominated by the donor at the time that the donation was made. Whilst nomination is not binding on the Trustee, the designated funds reflect these nominations. The Charity does not have any restricted funds.

ii)

Where a preference is not expressed by the donor then the donation is applied to Liverpool Heart and Chest Appeal which has four key elements to our fundraising aims;

- To raise funds for key pieces of medical equipment

- To develop the Enhancing the Healing Environment programme

The oı Turnover from Robert Owen House accommodation was £38k in 2007/08 which 1

- To continually invest in our staff to improve their clinical techniques so that we can provide our patients with an unrivalled patient experience.

iii) Where possible the Trust reclaims tax on donations through the Gift Aid scheme.

1.5 Income from Charitable activities

a) Robert Owen House Accommodation Income

i) Robert Owen House provides inexpensive overnight accommodation for relatives and friends of patients. Income received is applied to the upkeep and day to day running costs of the house.

ii) Robert Owen House accommodation income is credited to incoming resources from Charitable Activities within the Statement of Financial Activities.

iii) Robert Owen House Income is credited net of VAT based on the date of occupancy.

iv) The Charity has treated income from Robert Owen House as Primary Purpose Trading and as such the profits are exempt from tax.

1.6 Expenditure

The funds held on Trust accounts are prepared in accordance with the accruals concept. All expenditure is recognised when all of the following criteria are met:

i) obligation - a present legal or constructive obligation exists at the reporting date as a result of a past event;
ii) probable - it is more likely than not that a transfer of economic benefits, often cash, will be required in settlement; and
iii) measurement - the amount of the obligation can be measured or estimated reliably.

Grants are mainly made to Liverpool Heart and Chest Hospital NHS Foundation Trust in furtherance of the charitable objects of the funds. A liability for such grants is recognised when approval had been given by the Trustee. The Foundation Trust has full knowledge of the plans of the Trustee, therefore a grant approval is taken to constitute a firm intention of payment which has been communicated to the Foundation Trust, and so a liability is recognised.
Expenditure on raising funds comprises the costs associated with attracting voluntary income.
Expenditure on Charitable activities comprises those costs incurred by the Charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and any costs of an indirect nature necessary to support them.

Governance costs include only those costs associated with meeting the constitutional and statutory requirements of the charity and include audit fees and costs linked to the strategic management of the charity.

1.7 Irrecoverable VAT

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

1.8 Governance Costs

Establishment costs and Audit fees are apportioned to resources expended based on the value of transactions within each cost category at the end of the year.

1.9 The Costs of Raising Funds

These costs are salaries and other expenses associated with the Liverpool Heart and Chest Charity Fundraising Team and day to day expenses incurred in running Robert Owen House.

1.10 Fixed Asset Investments

Investments are stated at market value at the balance sheet date.

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

1.12 Change in the Basis of Accounting

There has been no change in the basis of accounting this financial year.

1.13 Stock

Stock are items that will be used by the charity in providing goods & services. Stock includes goods held for distribution.

2.0 Related Party Transactions

Under the guidance provided by the Financial Reporting Standard 8, Liverpool Heart & Chest Hospital NHS Foundation Trust is a related party as it is the Corporate Trustee of the charity. During the year the charity has had a number of material transactions with Liverpool Heart & Chest Hospital NHS Foundation Trust (e.g. grant giving). Details are included in note 12.

The Foundation Trust is the sole Trustee of the Liverpool Heart and Chest Charity and as such is considered to be a related party. During the year ended 31 March 2022, the Charity incurred £743k in expenditure and received £0k of income with the NHS Foundation Trust. Amounts owed by the Foundation Trust at 31 March 2022 were £0k and amounts owed to the Foundation Trust were £619K.

The Charitable Trust has made revenue payments to Liverpool Heart & Chest Hospital NHS Foundation Trust where agents of the Corporate Trustee (whose names are listed below) are also members of the Trust Board.

Bob Burgoyne - Chair of Charitable Funds Committee
Jane Tomkinson - Chief Executive
Karen Edge - Chief Finance Officer
Nick Brooks - Non Executive Director
Julian Farmer - Non Executive Director
Lucy Lavan - Associate Director of Corporate Affairs

The Trustee's did not receive any remuneration for work performed in relation to the Charity (2020-21: £nil).

Grants made to institutions 3.1

Name of recipient and number of grants	Aggregate amount paid 2022	Aggregate amount paid 2021
	£000	£000
Total resources expended	(937)	(982)
Less cost of generating funds	158	122
Less grants paid to individuals		
Less admin/audit and bank charges	36	35
Liverpool Heart & Chest Hospital NHS FT Trust	**(743)**	**(825)**

Analysis of Support Costs 4.1

Support costs are reapportioned across expenditure. The apportionment is based on the value of transactions within each of the expenditure categories reported.

The total value of support costs incurred in the reporting period is £33k and comprises £3k Establishment costs, £2k Audit fee and £28k Staffing Costs.

Expenditure on Raising Funds 4.2

	Total costs 2022	Total funds raised 2022	Total costs 2021	Total funds raised 2021
	£000	£000	£000	£000
Fund raising costs	(164)	557	(126)	1,297
	(164)	557	(126)	1,297

Included within the cost of raising funds are the following staff costs:

	Net Cost	National Insurance Employer	Pension Employer	Gross Cost 2022	Gross Cost 2021
	£000	£000	£000	£000	£000
Fundraising Staff	84	9		93	92

The average number of staff employed during the year was 2 (2020/21: 2).

Robert Owen House Supplies has been reclassified as a charitable activities expenditure.

Charitable activities 4.3

	Total 2022	Total 2021
	£000	£000
Staff Welfare	(405)	(221)
Contribution to Liverpool Heart & Chest research	0	(145)
Purchase of new equipment	(213)	(133)
Patient welfare	(6)	(9)
Education, training and research expenses	(9)	0
New building and refurbishment	(1)	(233)
Expenditure	0	0
Robot Running Costs	(70)	(48)
Robert Owen House Repairs	(18)	4
Robert Owen House Supplies	(48)	(67)
	(770)	(852)

Other expenditure 4.4

	Total 2022 Funds	Total 2021 Funds
	£000	£000
Miscellaneous expenditure	(3)	(3)
	(3)	(3)

Note: Miscellaneous expenditure mainly consists of bank charges.

Donations and legacies 4.5

	Total 2022 £000	Total 2021 £000
Donations	(432)	(869)
ROH Donations	(3)	(50)
Legacies	(44)	(344)
Just Giving/Events	(49)	(30)
Donations Research	(20)	0
	(548)	(1,293)

Other trading activities 4.6

	Total 2022 £000	Total 2021 £000
LHCH Merchandise	(8)	(4)
	(8)	(4)

Net movement in Funds 5

	Total 2022 Funds £000	Total 2021 Funds £000
Opening Balance	2,161	1,687
Closing Balance	1,866	2,161
Net movement in funds for the year	(295)	474
Net movement in funds available for future activities	**(295)**	**474**

Analysis of Fixed Asset Investments 6

6.1 Fixed Asset Investments:

	2022 £000	2021 £000
Market value at 1st April	**780**	646
Additional Investment	**300**	0
Net gain/(loss) on revaluation	**85**	134
Market value at 31 March	**1,165**	**780**
Historic cost at 31 March	**700**	400

6.2 Market value at 31 March :

	Held in UK £000	2022 Total £000	2021 Total £000
Investments in a Common Deposit Fund / Common Investment Fund	1,165 #	**1,165**	780
	1,165	**1,165**	780

Analysis of gross income from investments 6.3 Total gross income

	Held in UK £000	2021-22 Total £000	2020-21 Total £000
Investments in a Common Deposit Fund / Common Investment Fund	85	85	134
	85	**85**	134

6.4 Income from Charitable activities

	2021-22 Total £000	2020-21 Total £000
Income from Robert Owen House accommodation/telephone charges and fundraising sales	1	1
	1	1

6.5 Other income

	2022 Total £000	2021 Total £000
Interest on short term deposit	0	0

The Corporate Trustees adopted the Treasury Management Policy of Liverpool Heart & Chest Hospital NHS FT & Chest Hospital NHS FT in respect of investments. The majority of cash balances are placed with Barclays, which attracts an interest rate of 0.14%.

Analysis of Debtors

7 Debtors (including trade debtors and loans receivable) are measured on initial recognition at settlement amount after any trade discounts or amount advanced by the charity. Subsequently, they are measured at the cash or other consideration expected to be received.

7.1

	2022 £000	2021 £000
Donations and legacies	0	252
Other debtors	0	0
Prepayments	3	3
Total debtors falling due within one year	**3**	255
Total debtors	**3**	**255**

Analysis of Creditors

8 The charity has creditors which are measured at settlement amounts less any trade discounts.

	2022	2021
8.1 Amounts falling due within one year:	**£000**	£000
Trade creditors	0	0
Accruals	(619)	(1,047)
Balance owed to Liverpool Heart & Chest	0	(180)
Total creditors falling due within one year	**(619)**	(1,227)
Total creditors	**(619)**	**(1,227)**

Details of material designated funds - Unrestricted funds	**9.0**		**Name of fund**	**Balance b/fwd 01 April 2021 £000**	**Incoming resources £000**	**Resources expended £000**	**Gains and (losses) £000**	**Balance c/fwd 31 March 2022 £000**
		A	Robert Owen House	144	4	-65	-7	76
		B	Heart Appeal	244	2	-85	-5	156
		C	LHCH Charity	1,197	520	-706	51	1,062
		D	Lung Cancer	71	0	-1	6	76
		E	Robotics Fund	221	0	-67	-3	151
		F	Cystic Fibrosis	62	0	-1	6	67

Material funds are deemed at being in excess of £50,000
Robert Owen House provides inexpensive relatives accommodation.
The Heart Appeal purchases equipment on behalf of the Liverpool Heart & Chest Hospital NHS Foundation Trust. The
The LHCH Charity is for any charitable purpose or purposes relating to services provided by LHCH NHS FT.
The Lung Cancer funds facilitates education and research into adult lung cancer and provides support for patients with this condition.
The Robotics Fund was created for a specific campaign in 2017-18 to fund a Davinci Robot purchased to improve outcomes and recovery time for patients

Contingencies **10** There are no contingent losses or gains included in the accounts

Commitments, Liabilities and Provisions **11** There are no commitments, contingent liabilities or provisions included in 2021-22

11.1 There are no commitments or provisions included in the accounts

Trustee and Connected Persons Transactions **12**

12.1 The Charitable Trust delivers the charitable objectives by making grants to the Liverpool Heart & Chest Hospital NHS Foundation Trust. Grants made amounted to £743k in 2021/2022 (2020/21 £825k).

At 31st March 2022, £619k was owed to the Liverpool Heart & Chest Hospital NHS Foundation Trust (2020/21 £1,227k).

12.2 There was no Trustee indemnity insurance during the year.

Loans or Guarantees Secured against assets of the charity **13** There were no loans or guarantees secured against assets of the Charity.

Events after the reporting date **14** LHCH Charity and the Covid-19 Pandemic

It is likely, as with many other charities, that income to LHCH Charity will be impacted during the 21/22 Financial Year. Our Events Programme has had to be cancelled for the foreseable future. The impact of the fluctuations on the stock market will almost certainly have an effect on applications to Charitable Trusts who will, as the result of falling share prices, have less disposable income and it is unlikely that corporates will be able to support in the ways that they have in the past. In order to mitigate potential falls in income in these areas the charity has refocussed its planning and is concentrating on other area such as increasing regular giving, the introduction of a new "membership" club and the development of a new legacy programme. In addition it will be significantly increasing its on-line presence with a new website and a new social media programme.

THE LIVERPOOL HEART AND CHEST HOSPITAL CHARITY

England & Wales - Charity number 1052813

Accounts

charity lhch

caring for people with heart and lung disease

Charitable Funds Annual Report 2020/21

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Chairman's welcome

Welcome to our annual report for 2020/21. We exist to support the work of Liverpool Heart and Chest Hospital NHS Foundation Trust and that support has never been more needed than during the past twelve months.

The pandemic had a profound effect on all our lives but none more so than the dedicated team working at LHCH. Thanks to the exceptional assistance we have received from our donors this year we have been able to do so much to assist our staff during some of the most testing times of their working lives. From the provision of a Staff Hub to a special Thank You gift at Christmas we have been able to show our appreciation for their outstanding efforts.

We have also, of course, been able to do more for our patients with the introduction of new ways of working such virtual clinics which reduce the need for unnecessary travel, helped our patients and their families stay connected when visiting was restricted with the use of tablets and established a vaccine hub for the benefit of the wider community.

None of this would have been possible without the overwhelming assistance that we have received not only from members of the general public but also from both national and local companies and grant making trusts and we owe them all our heartfelt thanks.

NHS
Liverpool Heart and Chest Hospital
NHS Foundation Trust

The Liverpool Heart and Chest Hospital Charity exists to support that work in three ways:

Extending the Excellence

Providing additional amenities and support for our patients, their families and our staff. Many of our patients travel long distance to access our specialist services and we help by providing accommodation for family and loved ones during what is often a very stressful time.

Tomorrow's medicine today

Research undertaken at Liverpool Heart and Chest Hospital could change the way heart and lung medicine is practised in the future.

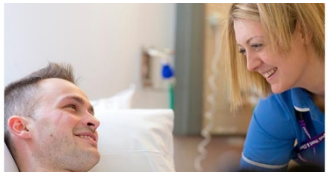
The latest and the best

The LHCH Charity ensures that wherever possible our dedicated medical staff have access to the very latest and best in equipment and training. In this way we can make sure that our patients are always receiving the most up to date treatments available.

Key highlights of our year:

- Provision of the Staff Hub which provided a welcoming and relaxing space for our staff
- Supporting the introduction of a tele-medicine facility for those who could not visit the hospital due to having to shield
- Supporting education and training with a grant to complete the refurbishment of Highfield House making it a modern and accessible space for all our staff
- Making the hospital a more covid-safe space with the provision of additional facilities and equipment
- A continuing partnership with the University of Liverpool helping to identify joint fundraising partnerships

Bob Burgoyne – Chairman LHCH Charity



Who we are

The Liverpool Heart and Chest Hospital Charity exists to support the work of the hospital by providing additional support and resources that are above and beyond what would normally be available through statutory sources.

The Object of LHCH Charity is:-

"For any charitable purpose or purposes relating to the National Health Service wholly or mainly for the service provided by the Liverpool Heart and Chest Hospital NHS Foundation Trust".

Aims of LHCH Charity:-

Heart and Lung diseases are amongst the 2 biggest killers in the UK today. Every 2 minutes someone has a heart attack and 1 in 5 people are affected by respiratory diseases.

LHCH Charity aims to support Liverpool Heart and Chest Hospital in its care and treatment of patients, their families and staff by:

• assisting the hospital with the purchase of the latest state of the art equipment, research and training

• supporting innovative research to improve our understanding of heart and lung Diseases

• providing patients, their families and our staff with additional amenities which would otherwise not be available from statutory sources.

By doing this LHCH Charity ensures that its legal purpose is fulfilled

How we achieve our aims

The strategy for achieving our aims breaks down into two separate strands:-

- Identification of areas for support
- A strategy for fundraising for the identified areas

a) Identification of areas for support

LHCH Charity, in conjunction with the Executive Team of the hospital, identify projects that have a criteria that fits within the 3 aims which will be supported via the General Fund. These projects are broken down by size in terms of cost into short, medium or longer term projects.

In addition each of the Funds which sit underneath the Charity umbrella have been requested to complete a form indicating how they propose to spend monies within each 12 month period. The recommendation for each Fund is that in line with best practice at least 33% of the Fund's opening balance is spent within the year unless they are planning on building funds towards a specific service or item of equipment.

b) Fundraising Strategy for identified projects.

The Head of Fundraising produces a yearly strategy which identifies the potential for fundraising for the short term aims (usually required within the financial year) as well as providing details of plans for achieving the medium and long term goals including Income and Expenditure projections as well as a Fundraising Ratio Cost and a Return on Investment Cost. This is approved by the Charitable Funds Committee and then, ultimately, the Corporate Trustee.

The Fundraising Strategy is then evaluated at each meeting of the Charitable Funds Committee in relation to its progress in achieving the support required for each of the projects.

How LHCH Charity Fundraises

LHCH Charity is guided in all of its fundraising by the Code of Fundraising Practice. Campaigns are run and managed by the charity's staff and the charity does not work with professional fundraisers or commercial participators in generating funds.

During the year LHCH Charity received no complaints from its donors or others about the standard of its fundraising approaches. It received no requests from the Fundraising Preference Service for donors to be removed from the database.

LHCH Charity and Social Investment

LHCH Charity was not involved in any social investment during the past 12 months

LHCH Charity and Grant Making

LHCH Charity was not involved in making grants to external organisations during the last 12 months but did make several grants to internal projects as per our aims and objectives during the year.

LHCH Charity and Donated Goods, services and volunteers

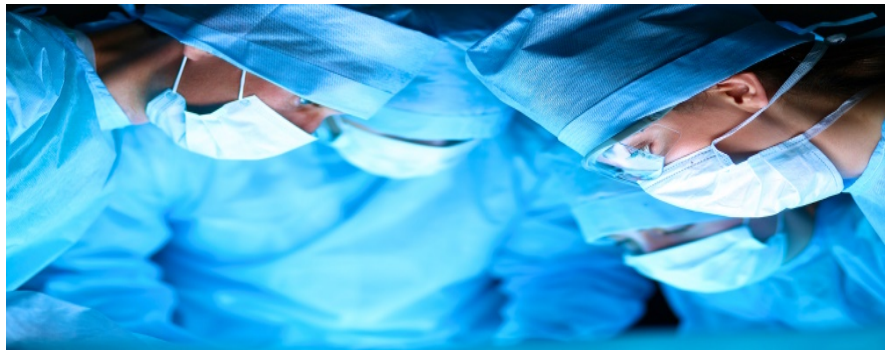
The Charity does occasionally receive goods for re-sale in its office premises at the hospital. These are recorded as gift in kind items and processed through the till with other purchased merchandise. If a gift equalling more than £1,000 is received then this is reported to the Charitable Funds Committee for noting.

The Charity did not work with any volunteers during the past 12 months.

Public benefit

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

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



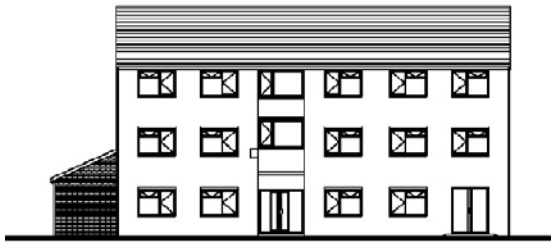
The focus of our activities is to benefit the public who utilise the services of Liverpool Heart and Chest NHS Foundation Trust. This hospital mainly services the community of Cheshire, Merseyside, North Wales and the Isle of Man, all of whom have equal access to its facilities. Charitable expenditure is made by way of direct grants to the Liverpool Heart and Chest Hospital NHS Foundation Trust, to enhance the patient care already provided.

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

During the year the funds raised were distributed to provide a wide range of benefits, over and above what would be expected from statutory sources to our patients, their families and our staff.

The agents of the Corporate Trustee have complied with their duty to have due regard to the guidance on public benefit published by the Charities Commission in exercising their powers or duties.

Our achievements



Like many charities LHCH Charity faced many challenges during the year. Despite this we were still able to make a significant contribution to the health and well-being of our patients, their families and our staff.

The Highfield House Training and Education Centre

The care, education and training of our staff have never been more important than the last 12 months. New practices and procedures have had to be introduced at a pace to deal with the Covid-19 pandemic as well as, of course, the need for the continuous updating of skills to ensure that our staff are at the forefront of the latest developments. This is why the provision of a dedicated area for training, education and facilities for on-call staff was a priority for us during 2020.

The hospital had already provided nearly half a million pounds for this development and the charity was able to secure a further £200,000 of funding to make the new Highfield House Training Centre something really special.

It will provide:-

- Considerably expanded on-call facilities for our on-call staff, providing a place where they can rest and recharge
- Two dedicated training areas utilising the latest technology to ensure our expertise can be shared not only with our own staff but also those from other medical institutions
- A completely refurbished library space where students and staff can update their knowledge

This new development will be key to ensuring that our staff stay as leaders in the field of heart and lung care for many years to come and we want to thank you for helping us to make this happen.

The Staff Hub

At the beginning of the pandemic LHCH Charity provided the funds to change an old record office into a warm and welcoming Staff Hub. A place where they could go, relax, recharge and share their experiences with others. This has proved an invaluable place for staff and has helped them to carry on during some of the most difficult times of their working lives.

Tele-medicine facilities

Thanks to you we were able to provide tele-medicine facilities for those patients who could not visit in person due to the risk. This is especially true of those living with Cystic Fibrosis who are very susceptible to infection but also most in need of routine monitoring of their condition.

Using tele-medicine meant that our patients could meet with multiple health professionals at one time to discuss their condition, minimising their risk, reducing their need to travel as well as making it more efficient for our staff enabling us to see more people.

This additional work would not have been possible had it not been for the support of LHCH Charity.

In addition to our two main priorities the charity also assisted in:-

The latest and the best – life in 3D

LHCH Charity helped to purchase a new 3D transesophageal echocardiogram machine for our theatres to enable our surgeons to have the state of the art equipment they need when operating on the heart.

Patient and Family Focused

The Robert Owen House Appeal supporters the provision of inexpensive overnight accommodation for relatives and friends of patients. This is particularly important given the wide catchment area of the hospital which extends across the entire North West Region, North Wales and for certain specialist treatments, nationally and internationally.

The provision of this accommodation has only been possible due to the on-going fundraising of various groups and individuals, in particular the Isle of Man Friends of Robert Owen House who donated £25k during 2020/21.

Tomorrow's medicine today

Supporting research is a key part of the remit of LHCH Charity. During the past year the Charity has supported a number of research initiatives including a 5 year grant of £20,000 per annum from a charitable trust in support of the work of a Patient Research Ambassador.

Monitoring our Performance:

LHCH Charity, through the Charitable Funds Committee and ultimately the Corporate Trustee, benchmarks its performance in a number of ways:-

- It identifies fundraising projects and measure its fundraising achievement against the targets set for the achievement of each project.
- It reviews the external factors which may affect the charity including national and local economic forecasts
- It provides comparator information with similar charities and measures itself against them in terms of performance, percentage fundraising costs and return on investment.

The impact of the Covid-19 pandemic played a major part in LHCH Charity significantly improving on its target raising £1,242,828 against a predicted target of £576,000.

A good balance of major gifts from charitable trusts, legacies, corporate support and donations from our supporters helped us to achieve this figure which enabled us to do so much more than would have been possible during a very challenging year for the hospital.

This year also saw the review of the 5 year Fundraising Strategy which was developed in 2016. During this period our key achievements have been

- A 43% increase in donations on the previous 5 year period
- The number of donations received increased by 51%
- A new brand identity was produced with associated print and electronic media
- Was the second highest performing charity amongst the comparator charities with regards to income against expenditure percentage costs.

How our Supporters Helped

Just like NHS Charities Together had Captain Tom – LHCH Charity had our own band of extraordinary supporters during the Covid-19 Crisis. Including:-

Jessica's Marathon Effort

5 year old Jessica O'Connor decided to run a marathon! Jessica said: "I've already run a mile so I can do this 25 and half times more to help the poorly people where Mummy works." And she did - raising over £1,151 for LHCH Charity.

The Wonderful Wigfields

When the Chest Half Marathon was cancelled Charlotte Wigfield decided that she would do it virtually and in support her whole whole family got together to undertake their own challenges raising an amazing £1,953 in total!

Handmade with Love

11 year old Lois Higgins developed the idea of making her own multi-coloured wristbands to raise funds. After many hours of work and over 500 wristbands produced she has raised the magnificent amount of £1,200 for both LHCH Charity and

Of course, it wasn't just individuals who showed their support this year. We are very grateful to the MailForce Charity for their magnificent donation of £284,000 to assist with the purchase of PPE and specialist equipment. We were also very grateful to receive support to a total of £202,000 from NHS Charities Together to help our staff and patients during the worst times of the pandemic.

Companies also played their part with Marks & Spencer, Morrison's, Tesco and other all making contributions to help us with our work.

To all who responded whether you undertook a marathon or wrote a cheque – from everyone here at LHCH thank you from the bottom of our hearts.

How You Can Help

You can get involved with LHCH Charity by:-

Ringing the Charity Office on: 0151 600 1409

Emailing s at: enquiries@lhchcharity.org.uk.

Writing to us at: LHCH Charity, Freepost RRLL-KSHT-ZLKE, Thomas Drive, Liverpool L14 3PE

There are so many things you can do:

- Show your support by making a donation by post, online or by calling the Charity Office
- Be one of our Charity Ambassadors and use your time to promote our work and get people involved – even set up your own local fundraising group
- Volunteer – you can help at events, at the Charity Office, be a collection box and badge placer, you can even work at home helping us with research

Structure, governance and management

Charity Structure

LHCH Charity is an umbrella charity which holds a number of individual funds under one Charity Registration Number (Charity Registration Number 1052813). The overall responsibility for the running of the charity lies with the Corporate Trustee i.e. the Board of Directors of Liverpool Heart and Chest Hospital.

The Charitable Funds Committee is established as a Committee of the Board of Directors of Liverpool Heart and Chest Hospital NHS Foundation Trust in order to ensure the Trust's duty as Corporate Trustee of its Charitable Funds has been discharged.

The Charitable Funds Committee operates within Terms of Reference authorised by the Board of Directors of Liverpool Heart and Chest Hospital NHS Foundation Trust. The Committee has no executive powers other than those specifically delegated in its Terms of Reference which are:-

Develop the strategy and objectives for the Charity for consideration and approval by the Corporate Trustee
Oversee the implementation of an infrastructure appropriate to the efficient and effective running of the Charity
Oversee the development and delivery of the Fundraising Strategy, as aligned to the Trust's annual plan
Oversee the expenditure of the Charity
Oversee the Charity's Investment Plans
Monitor the performance of all aspects of the Charity's activities and ensures that it adheres to the principles of good governance and complies with all relevant legal requirements
Act as the Committee that discharges the Board's responsibilities (as sole Corporate Trustee) as they relate to Charitable Funds under the Trust's custodianship.
Ensure that the charitable funds held by the Trust are managed in a manner consistent with the requirements of the relevant regulatory and statutory frameworks and in accordance with the guidance on NHS Charities set out by the Charity Commission.
When in this role act solely in the best interests of the Charity and in a manner consistent with the Charity Commission's requirements and expectations of the Corporate Trustee.
Oversee the Charity's strategy, governance, major plans and key risks on behalf of the Corporate Trustee.
Establish, prioritise and approve major fundraising projects in accordance with the strategy and approve expenditure items in accordance with delegated authority levels set out in Standing Financial Instructions.
Monitor the performance of fundraising and marketing activity, ensuring that the return on investment is satisfactory and that income targets are met.
Devise and implement an investment strategy for the charity, including the appointment and monitoring of any investment managers
Ensure the approval and submission of statutory returns, annual accounts and Trustee's Report in accordance with the Charity Commission's Statement of Recommended Practice.
Approve any policies and procedures required for the effective management of the Fund

Members of the Charitable Fund Committee attend quarterly Charitable Funds meetings.

Recruitment and appointment of Trustees

Non-Executive Members of the Board of Directors are appointed by the Council of Governors and Executive Members of the Board are subject to recruitment by the Nominations and Remuneration Committee (Executive). Members of the Board of Directors and the Charitable Funds Committee are not individual Trustees under Charity Law but act as agents on behalf of the Corporate Trustee.

Trustee Training and Induction

The Trust sees Trustee training as important and has provided access to resources and materials including:-

- LHCH Charity is a member of NHS Charities Together and regularly receive updates from this source. In the last year they have been able to provide access to webinars ranging from "A Legal Overview and

Update on NHS Charities" and "Investment Management in NHS Charities" to "Promoting Your Charity".

- In October 2020 all Trustees had the opportunity to attend a webinar organised by the Fundraising Regulator on understanding their role as a Charity Trustee and their special responsibilities in relation to fundraising.
- In January 2021 CCLA (the Charity's Investment Managers) attended the Charitable Funds Committee and provided a briefing on the status of the current portfolio, the results and predicted future performance.
- In addition the Trustees also received detailed information on "Using NHS Charitable Funds" from the Healthcare Financial Management Association which provided guidance on the legal and regulatory requirements for charitable expenditure.

Trustee Duties

The Corporate Trustee fulfils its legal duty by ensuring that funds are spent in accordance with the objects of each fund and by designating funds, the Trustee respects the wishes of our generous donors for the advancement of health or saving lives, to provide patient and staff benefit or for the advancement of education and research.

Day to day management

The Trust has in place a scheme of reservation and delegation to support the day to day management of the charity.

The Head of Fundraising oversees the day to day running of the charity and the planning of fundraising activities for the charity. The Head of Financial Services acts as the principal officer overseeing the day to day financial management and accounting for the charitable funds during the year.

The charity does not directly employ any staff. The charity funds staffing costs of fundraising and administration staff who run and support the charity. These staffing contacts are held by the Foundation Trust and recharged accordingly. Pay grades for those working within the Charity are set using NHS Pay Scales.

Related parties

The Liverpool Heart and Chest Hospital NHS Foundation Trust is the main beneficiary of the charity and is a related party by virtue of being Corporate Trustee of the charity. The accounts of the charity are not consolidated into the accounts of the Trust as they are not material.

Charitable Funds

The Charity's unrestricted fund was established using the model declaration of trust and all funds held on trust as at the date of registration were part of this unrestricted fund. Subsequent donations and gifts received by the charity that are attributable to the original fund are added to those fund balances within the existing charity.

Risk Management

Using the NHS Trust's own Risk Register policies and procedures The Trustees have considered potential risks to which the charity is exposed. The LHCH Charity Risk Register is reviewed annually by the Charitable Funds Committee.

There are no major risks that have been identified

Contact us, Trustee and Advisors

Liverpool Heart and Chest Hospital Charity
Registered Charity Number: 1052813
(previous names: The Heart Appeal, The Merseybeat Appeal)

Members of the Liverpool Heart and Chest Hospital Board of Directors who served during the financial year were as follows:-

Name	Title
N Brooks	Non-Executive Director
M Jones	Non-Executive Director
J Farmer	Non-Executive Director
B Burgoyne	Non-Executive Director from 1st April 2019
K O'Hagan	Non-Executive Director from 1st May 2019
J Tomkinson	Chief Executive Officer
R Perry	Medical Director & Deputy CEO
Karen Edge	Chief Finance Officer
S Pemberton	Director of Nursing & Quality

Principal Financial Advisors:

Banker:	Solicitor
Barclays Bank Plc North West Larger Businesses P O Box 378 71 Grey Street Newcastle Upon Tyne NE99 1JP	Hill Dickinson Pearl Assurance House Derby Square Liverpool L2 9XL

Investment Broker:	Auditor
CCLA Investment Management Senator House, 85 Queen Victoria Street, London EC4V 4ET	McLintocks (NW) Limited 2 Hillards Court Chester Business Park Chester CH4 9PX

Responsibility for the on-going management of funds is delegated by the Corporate Trustee to the Charitable Funds Committee which administers the funds on behalf of the Corporate Trustee. The names of the people who served as agents for the Corporate Trustee, as permitted under regulations 16 of the NHS Trust's (Membership and Procedures) Regulations 1990, were as follows:-

Name	Position
Julian Farmer	Non-Executive Director
Nicholas Brooks	Non-Executive Director
Bob Burgoyne	Chair of Charitable Funds Committee
Jane Tomkinson	Chief Executive Officer
Karen Edge	Chief Finance Officer

Principal office
The principal office for the charity is:

Liverpool Heart and Chest Hospital Charity
Thomas Drive
Liverpool
L14 3PE

For more information on the LHCH Charity please visit our website at www.lhchcharity.org.uk

Financial Review

The financial statements have been prepared in accordance with the historic cost basis, with the exception of investments which are included at re-valued amounts. The financial statements have been prepared on the going concern basis and in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities (SORP 2019)" issued in March 2015, applicable to charities preparing their accounts in accordance with the financial reporting standard applicable in the UK and Republic of Ireland (FRS 102), effective 1st January 2015.

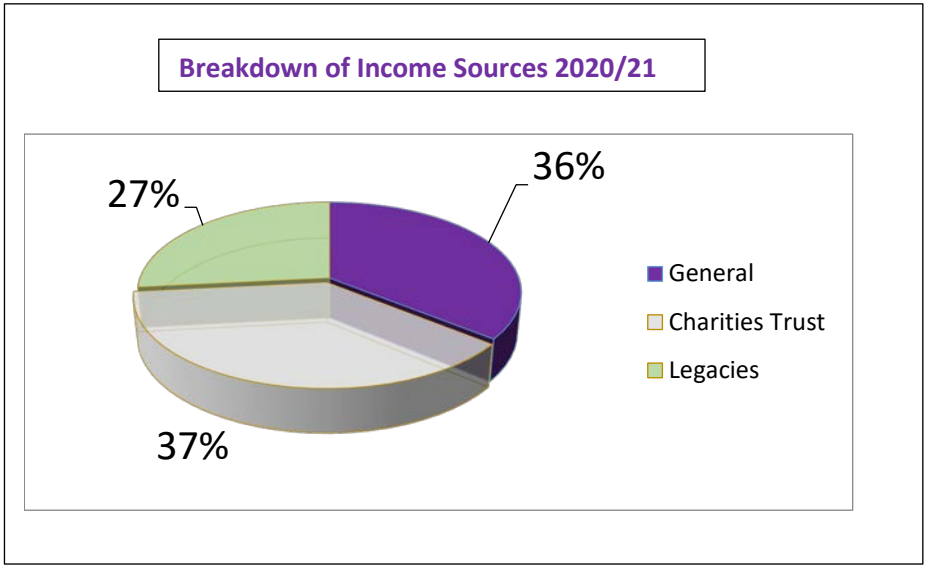
The net assets of the charitable fund as at 31st March 2021 were £2,161k (2019/20 £1,687k), an increase of £474k during the financial year.

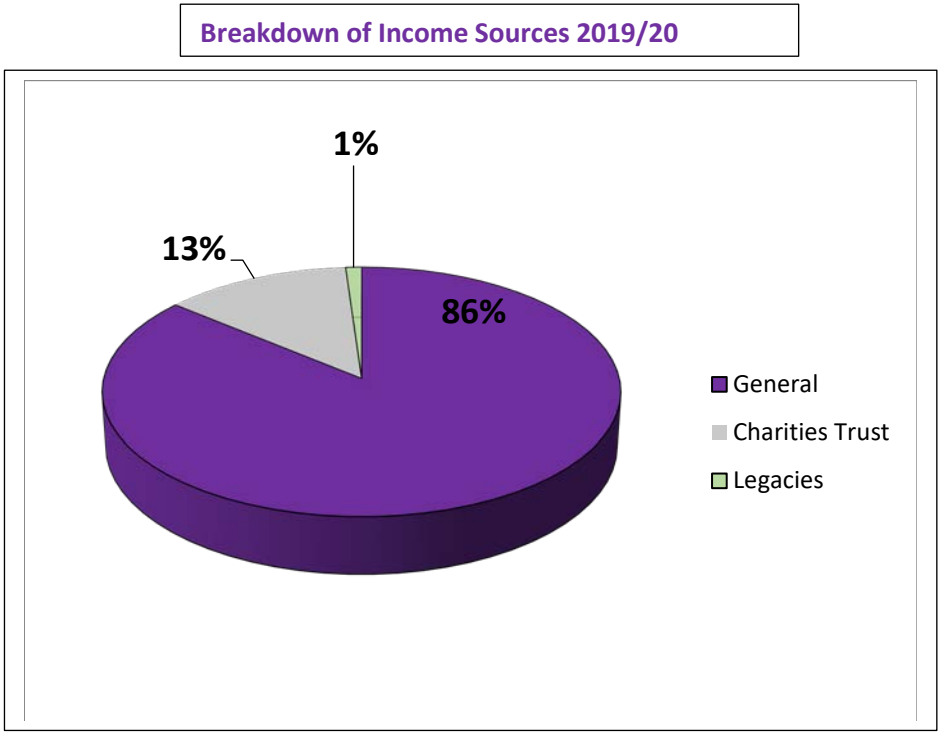
Total incoming resources this year amounted to £1,322k (2019/20 £714k). The incoming resources have increased due to 2 large legacies and donations arising from the pandemic.

Of the total expenditure of £982k (2019/20 £426k), expenditure on charitable activities was £852k (2019/20 £270k) and expenditure on raising funds was £127k (2019/20 £152k).

Income summary Table

		2020-21	2019-20
Donations	General	462,355	529,505
	Charitable Trusts	486,400	79,382
	Legacies	344,273	6,722
		1,293,028	615,609





Going Concern

The Trustee has a reasonable expectation that the Charity has adequate resources to continue as a going concern. Expenditure is discretionary and balanced against the reserves policy requirements. Accounting for income and expenditure is on an accruals basis to ensure all committed expenditure is reflected in the reporting process, and the Charity has sufficient resources to meet its committed expenditure for 12 months from the date that the financial statements were approved by the Charitable Funds Committee.

Reserves policy

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

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

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

Therefore, the Trustee considers it prudent that the target range of unrestricted reserves is between £500,000 and £1,500,000 to ensure that the charity can run efficiently and meet the needs of its beneficiaries. The Balance Sheet shows unrestricted reserves of £2,161k at the end of the financial year. The value is outside the reserves range required by the policy. The charity had applications valuing £675k approved at the end of March which would give a reserves balance available for future approvals of £1,498k, which is consistent with the reserves range.

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

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

The Covid-19 pandemic has impacted significantly on the income expected during the financial year 2020/21 with the charity achieving double what it had projected for fundraising income.

This has meant that our current reserves are higher than anticipated however a significant proportion of the funds raised have already been identified for spending so the reserves will revert to compliance within the coming months.

Plans for future

In the coming years LHCH Charity aims to continue its work in raising funds in support of Liverpool Heart and Chest Hospital. In particular during the next 12 months it will seek to develop two major campaigns firstly to assist with the new Cath Lab development and also for equipment for our cancer services.

A strategy is being developed over the coming months to assist us with the planning of these major campaigns which will be overseen and supported by the Charitable Funds Committee and the Corporate Trustee. During this development phase the Charitable Funds Committee will review past fundraising initiatives and review the allocation of resources to the charity to enable it to fulfil its aims.

Investment Policy

The charity conforms to the investment powers given by the Charity Commission order for a NHS umbrella charity and the Trustee Act 2000.

Charitable funds are invested by the Chief Finance Officer in accordance with the Trust's policy and subject to statutory requirements.

The members of the Charitable Funds Committee review the performance of investment and banking at the quarterly meetings. The Committee has decided that the Charities Official Invest Fund (COIF) is to be used for the investment of charitable funds. In year the Committee has chosen to invest their monies in the

COIF charities ethical fund as this aligns with the Trust values and overall strategy as there are tighter restrictions on alcohol, tobacco and fossil fuels.

Amounts to be invested with COIF are decided by the Charitable Funds Committee. The amount originally invested in COIF was £400k. This investment has a current market value as at 31st March 2021 of £780k (31/03/2020 £646k).

At the end of the financial year the Charity held £2,344k (2019/20 £1,287k) in an instant access bank account.

The Charity has adopted the Trust's policy on investments. This means that all cash balances must remain in a comparatively liquid form and all investments resulting from them must be realisable and have maturity not exceeding three months.

Cash deposits are invested in accordance with the Trust's Treasury Management Policy which has been adopted by the Charity.

Short-term investments should be invested with banks rated: A+ Moody's rating

Long-term investments should be invested with banks rated: A+ Moody's rating

Dividends received are allocated to individual designated funds in proportion to their average closing balances for the relevant quarter.

The risk associated with the normal fluctuation in the value of investments are mitigated by holding investments in a diversified fund of investments and by only investing funds not required in the short or medium.

Re-appointment of Auditors

McLintocks (NW) Limited were appointed as auditor to the charity and a resolution proposing that they be re-appointed will be put at a General Meeting.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

Fund Expenditure Policy

Expenditure against any Charitable Fund is conditional upon the item being within the terms of the appropriate fund and the procedures approved by the Board of Directors.

Before expenditure is incurred consideration is given to the following:

- The funds may be used for the benefit of hospital staff (both clinical and support) as long as it is in line with the objective of the fund and it does not go beyond what a good employer would consider reasonable to provide.
- The funds cannot be used to campaign or lobby on behalf of the Trust
- Should comply with the requirements of the Charities Act 2006 on the Public Benefit Test where there is an identifiable benefit or benefits and this benefit must be to the public or section of the public
- Should not generally be spent for the benefit of specific individuals
- To supplement the remuneration (directly or indirectly) of officers

The authorised signatories must consider the following:-

- That the expenditure is within the general and specific restrictions placed upon the funds (the authorising officer must be aware of these)
- Must be applied for the purposes set out in the Governing Document
- That the funds are not freely available from other sources
- Must be applied with complete fairness between persons who are properly qualified to benefit from it.

Annual accounts 2020/21

Trustee responsibilities statement

The Corporate Trustee is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable it to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008. It is 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.

Under charity law, the trustee is responsible for preparing the trustee's annual report and accounts for each financial year which show a true and fair view of the state of affairs of the charity and of the excess of expenditure over income for that period.

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

• selects suitable accounting policies and then apply them consistently

• makes judgments and estimates that are reasonable and prudent

• states whether the recommendations of the SORP FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements

• states whether the financial statements comply with the trust deed, subject to any material departures disclosed and explained in the financial statements

• prepares the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue its activities.

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

Signed on behalf of the trustee:

Bob Burgoyne

Chair of Charitable Funds Committee

Karen Edge

LHCH Chief Finance Officer

Liverpool Heart & Chest Hospital Charity

Annual Accounts for year ended 2020/21

Foreword

The Charity was created in 1996 under statutory instrument

The Charity exists for any charitable purpose or other purpose relating to the NHS wholly or mainly for the service provided by Liverpool Heart & Chest Hospital NHS Foundation Trust

The Trustees are responsible for preparing the annual report and financial statements in accordance with applicable law and accounting standards. Company Law requires the charity trustees 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, including income and expenditure of the charity for that period. In preparing the financial statements, the trustee's are required to:

- select suitable accounting policies and then apply them consistently;

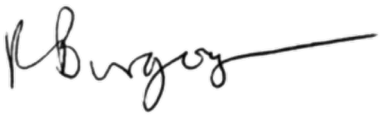
- observe the methods and principles in the Charities SoRP (FRS 102);

- make judgements and estimates that are reasonable and prudent;

- state whether applicable UK accounting standards have been followed, subject to any material

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity to continue in business

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



Bob Burgoyne
Chair of Charitable Funds Committee

Karen Edge
Financial Trustee

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF LIVERPOOL HEART AND CHEST HOSPITAL CHARITABLE FUND

Statement of Financial Activities for the year ended 31 March 2021

	Note	2020-21 Total Funds £000	2019-20 Total Funds £000
Income and endowments from:	1.3		
Donations and legacies	1.4	1,293	616
Other trading activities		4	9
Income from Investments	6.3	24	25
Income from Charitable activities	1.5, 6.4	1	64
Total income and endowments		**1,322**	**714**
Expenditure on:	1.6, 1.7, 3.1, 4.1		
Raising funds	1.9, 4.2	(127)	(152)
Charitable activities	4.3	(852)	(270)
Other expenditure	4.4	(3)	(4)
Total expenditure		**(982)**	**(426)**
Net gains/(losses) on investments	9	134	(21)
Net income/(expenditure) and net movement in funds		**474**	**267**
Reconciliation of funds:			
Total funds brought forward		**1,687**	**1,420**
Total funds carried forward		**2,161**	**1,687**

All the Charity's funds are unrestricted.

Balance Sheet as at 31 March 2021

	Notes	Total at 31 March 2021 £000	Total at 31 March 2020 £000
Fixed Assets			
Investments	1.10, 6.1, 6.2	780	646
Total Fixed Assets		780	646
Current Assets			
Debtors	7.1	255	0
Stock		9	4
Cash at bank and in hand		2,344	1,287
Total Current Assets		2,608	1,291
Creditors: Amounts falling due within one year	8.1	(1,227)	(250)
Net Current Assets		1,381	1,041
Total Assets less Current Liabilities		2,161	1,687
Total Net Assets		**2,161**	1,687
Funds of the Charity			
Income Funds:			
Unrestricted	9.0	2,161	1,687
Total Funds		**2,161**	1,687

The Financial statements on pages 17 to 27 were approved by the Trustee and authorised for issue on and are signed on their behalf by:

Signed:

Date: 24/09/2021

Statement of Cash Flows for the year ended 31 March 2021

	2020-21 Total Funds £000	2019-20 Total Funds £000
Cash flows from operating activites:		
Net cash provided by (used in) operating activities	1,033	305
Cash flows from investing activities:		
Dividends and interest from investments	24	25
Net cash provided by (used in) investing activities	24	25
Change in cash and cash equivalents in the reporting period	1,057	330
Cash and cash equivalents at the beginning of the reporting period	1,287	957
Cash and cash equivalents at the end of the reporting period	2,344	1,287

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

	2020-21 £000	2019-20 £000
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	474	267
Adjusted for:		
(Gains)/losses on investments	(134)	21
Dividends and interest from investments	(24)	(25)
(Increase)/decrease in stock	(5)	(1)
(Increase)/decrease in debtors	(255)	12
Increase/(decrease) in creditors	977	31
Net cash provided by (used in) operating activities	**1,033**	**305**

Analysis of cash and cash equivalents:

	2020-21 £000	2019-20 £000
Cash at bank and in hand	2,344	1,287
Total cash and cash equivalents	**2,344**	**1,287**

Notes to the Account

Accounting Policies **1**

1.1 Accounting Convention

The financial statements have been prepared on the basis of historic cost convention, as modified for the revaluation of certain investments. The financial statements have also been prepared 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 (FRS 102) (effective 1 January 2019) and applicable UK accounting standards and the Charities Act 2011.

1.2 Funds Structure

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. Liverpool Heart & Chest Hospital Charity does not have any restricted funds or expendable endowments.

Unrestricted income funds comprise those funds which the Trustee is free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds, where the donor has made known their non binding wishes or where the Trustee, at their discretion, have created a fund for a specific purpose.

1.3 Income Recognition

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 control over the rights or other access to the economic benefit has passed to the Charity;
ii) probable - when it is more likely than not that the economic benefits associated with the transaction or gift will flow to the Charity; and
iii) measurement - when the monetary value or amount of the income can be measured reliably and the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

1.4 Income from Donations and Legacies

Legacies are accounted for as incoming resources either upon receipt or where the receipt of the legacy is normally probable. This will be when:

i) there has been a grant of probate;
ii) the executors have established that there are sufficient assets in the estate, after settling any liabilities, to pay the legacy; and
iii) any conditions attached to the legacy are either within the control of the charity or have been met.

There are no material legacies which have been notified but not recognised as incoming resources in the Statement of Financial Activities.

Turnover from the Tea Shop was £45k in 2007/08 which falls within the £50k

1.4 Income from Donations and Legacies (cont'd)

a) Donations

i) All funds are unrestricted but may be designated. These include donations where particular parts of Liverpool Heart and Chest Hospital or its activities were nominated by the donor at the time that the donation was made. Whilst nomination is not binding on the Trustee, the designated funds reflect these nominations. The Charity does not have any restricted funds.

ii)

Where a preference is not expressed by the donor then the donation is applied to Liverpool Heart and Chest Appeal which has four key elements to our fundraising aims;

- To raise funds for key pieces of medical equipment

- To develop the Enhancing the Healing Environment programme

- To support patient centred research

- To continually invest in our staff to improve their clinical techniques so that we can provide our patients with an unrivalled patient experience.

iii) Where possible the Trust reclaims tax on donations through the Gift Aid scheme.

1.5 Income from Charitable activities

a) Robert Owen House Accommodation Income

i) Robert Owen House provides inexpensive overnight accommodation for relatives and friends of patients. Income received is applied to the upkeep and day to day running costs of the house.

ii) Robert Owen House accommodation income is credited to incoming resources from Charitable Activities within the Statement of Financial Activities.

iii) Robert Owen House Income is credited net of VAT based on the date of occupancy.

iv) The Charity has treated income from Robert Owen House as Primary Purpose Trading and as such the profits are exempt from tax.

1.6 Expenditure

The funds held on Trust accounts are prepared in accordance with the accruals concept. All expenditure is recognised when all of the following criteria are met:

i) obligation - a present legal or constructive obligation exists at the reporting date as a result of a past event;
ii) probable - it is more likely than not that a transfer of economic benefits, often cash, will be required in settlement; and
iii) measurement - the amount of the obligation can be measured or estimated reliably.

Grants are mainly made to Liverpool Heart and Chest Hospital NHS Foundation Trust in furtherance of the charitable objects of the funds. A liability for such grants is recognised when approval had been given by the Trustee. The Foundation Trust has full knowledge of the plans of the Trustee, therefore a grant approval is taken to constitute a firm intention of payment which has been communicated to the Foundation Trust, and so a liability is recognised.
Expenditure on raising funds comprises the costs associated with attracting voluntary income.
Expenditure on Charitable activities comprises those costs incurred by the Charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and any costs of an indirect nature necessary to support them.

Governance costs include only those costs associated with meeting the constitutional and statutory requirements of the charity and include audit fees and costs linked to the strategic management of the charity.

1.7 Irrecoverable VAT

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

1.8 Governance Costs

Establishment costs and Audit fees are apportioned to resources expended based on the value of transactions within each cost category at the end of the year.

1.9 The Costs of Raising Funds

These costs are salaries and other expenses associated with the Liverpool Heart and Chest Charity Fundraising Team and day to day expenses incurred in running Robert Owen House.

1.10 Fixed Asset Investments

Investments are stated at market value at the balance sheet date.

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

1.12 Change in the Basis of Accounting

There has been no change in the basis of accounting this financial year.

2.0 Related Party Transactions

Under the guidance provided by the Financial Reporting Standard 8, Liverpool Heart & Chest Hospital NHS Foundation Trust is a related party as it is the Corporate Trustee of the charity. During the year the charity has had a number of material transactions with Liverpool Heart & Chest Hospital NHS Foundation Trust (e.g. grant giving). Details are included in note 12.

The Foundation Trust is the sole Trustee of the Liverpool Heart and Chest Charity and as such is considered to be a related party. During the year ended 31 March 2021, the Charity incurred £763k in expenditure and received £0k of income with the NHS Foundation Trust. Amounts owed by the Foundation Trust at 31 March 2021 were £0k and amounts owed to the Foundation Trust were £1,227K.

The Charitable Trust has made revenue payments to Liverpool Heart & Chest Hospital NHS Foundation Trust where agents of the Corporate Trustee (whose names are listed below) are also members of the Trust Board.

Bob Burgoyne - Chair of Charitable Funds Committee
Jane Tomkinson - Chief Executive
Karen Edge - Chief Finance Officer
Nick Brooks - Non Executive Director
Julian Farmer - Non Executive Director
Lucy Lavan - Associate Director of Corporate Affairs

The Trustee's did not receive any remuneration for work performed in relation to the Charity (2020-21: £nil).

Grants made to institutions **3.1**

Name of recipient and number of grants	**Aggregate amount paid 2021**	Aggregate amount paid 2020
	£000	£000
Total resources expended	(982)	(426)
Less cost of generating funds	122	142
Less grants paid to individuals		
Less admin/audit and bank charges	35	33
Liverpool Heart & Chest Hospital NHS FT Trust	**(825)**	**(251)**

Analysis of Support Costs **4.1**

Support costs are reapportioned across expenditure. The apportionment is based on the value of transactions within each of the expenditure categories reported.

The total value of support costs incurred in the reporting period is £32k and comprises £1k Establishment costs, £5k Audit fee and £26k Staffing Costs.

Expenditure on Raising Funds **4.2**

	Total costs 2021 £000	**Total funds raised 2021 £000**	Total costs 2020 £000	Total funds raised 2020 £000
Fund raising costs	(126)	1,297	(152)	625
	(126)	**1,297**	**(152)**	**625**

Included within the cost of raising funds are the following staff costs:

	Net Cost	**National Insurance Employer**	**Pension Employer**	**Gross Cost 2021**	Gross Cost 2020
	£000	£000	£000	**£000**	£000
Fundraising Staff	**83**	**9**		**92**	**102**

The average number of staff employed during the year was 2 (2019/20: 3).

Robert Owen House Supplies has been reclassified as a charitable activities expenditure.

Charitable activities **4.3**

	Total 2021 £000	Total 2020 £000
Staff Welfare	(221)	(43)
Contribution to Liverpool Heart & Chest research	(145)	(21)
Purchase of new equipment	(133)	0
Patient welfare	(9)	(8)
Education, training and research expenses	0	(79)
New building and refurbishment	(233)	0
Expenditure	0	0
Robot Running Costs	(48)	0
Robert Owen House Repairs	4	(38)
Robert Owen House Supplies	(67)	(81)
	(852)	(270)

Other expenditure **4.4**

	Total 2021 Funds £000	Total 2020 Funds £000
Miscellaneous expenditure	(3)	(4)
	(3)	(4)

Note: Miscellaneous expenditure mainly consists of bank charges.

Net movement in Funds **5**

	Total 2021 Funds £000	Total 2020 Funds £000
Opening Balance	1,687	1,420
Closing Balance	2,161	1,687
Net movement in funds for the year	474	267
Net movement in funds available for future activities	**474**	**228**

Analysis of Fixed Asset Investments **6**

6.1 Fixed Asset Investments:

	2021 £000	2020 £000
Market value at 1st April	**646**	667
Net gain/(loss) on revaluation	**134**	(21)
Market value at 31 March	**780**	**646**
Historic cost at 31 March	**400**	400

6.2 Market value at 31 March :

	Held in UK £000	**2021 Total £000**	2020 Total £000
Investments in a Common Deposit Fund / Common Investment Fund	780	**780**	646
	780	**780**	646

Analysis of gross income from investments **6.3** Total gross income

	Held in UK £000	**2020-21 Total £000**	2019-20 Total £000
Investments in a Common Deposit Fund / Common Investment Fund	134	134	21
	134	**134**	21

6.4 Income from Charitable activities

	2020-21 Total £000	2019-20 Total £000
Income from Robert Owen House accommodation/telephone charges and fundraising sales	1	64
	1	64

6.5 Other income

	2021 Total £000	2020 Total £000
Interest on short term deposit	0	0

The Corporate Trustees adopted the Treasury Management Policy of Liverpool Heart & Chest Hospital NHS FT & Chest Hospital NHS FT in respect of investments. The majority of cash balances are placed with Barclays, which attracts an interest rate of 0.14%.

Analysis of Debtors **7** Debtors (including trade debtors and loans receivable) are measured on initial recognition at settlement amount after any trade discounts or amount advanced by the charity. Subsequently, they are measured at the cash or other consideration expected to be received.

7.1

	2021 £000	2020 £000
Donations and legacies	252	0
Other debtors	0	0
Prepayments	3	0
Total debtors falling due within one year	**255**	0
Total debtors	**255**	**0**

Analysis of Creditors **8** The charity has creditors which are measured at settlement amounts less any trade discounts.

		2021	2020
8.1	Amounts falling due within one year:	**£000**	£000
	Trade creditors	0	(11)
	Accruals	(1,047)	(72)
	Balance owed to Liverpool Heart & Chest	(180)	(167)
	Total creditors falling due within one year	**(1,227)**	(250)
	Total creditors	**(1,227)**	**(250)**

			Name of fund	Balance b/fwd 01 April 2019 £000	Incoming resources £000	Resources expended £000	Gains and (losses) £000	Balance c/fwd 31 March 2021 £000
Details of material designated funds - Unrestricted funds	**9.0**	A	Robert Owen House	151	58	68	3	144
		B	Heart Appeal	234	5	4	9	244
		C	LHCH Charity	760	1,247	879	69	1,197
		D	Lung Cancer	69	1	1	2	71
		C	Robotics Fund	266	0	46	1	221

Material funds are deemed at being in excess of £50,000
Robert Owen House provides inexpensive relatives accommodation.
The Heart Appeal purchases equipment on behalf of the Liverpool Heart & Chest Hospital NHS Foundation Trust. The
The LHCH Charity is for any charitable purpose or purposes relating to services provided by LHCH NHS FT.
The Lung Cancer funds facilitates education and research into adult lung cancer and provides support for patients with this condition.
The Robotics Fund was created for a specific campaign in 2017-18 to fund a Davinci Robot purchased to improve outcomes and recovery time for patients

Contingencies	**10**	There are no contingent losses or gains included in the accounts
Commitments, Liabilities and Provisions	**11**	There are no commitments, contingent liabilities or provisions included in 2020-21
	11.1	There are no commitments or provisions included in the accounts
Trustee and Connected Persons Transactions	**12**	
	12.1	The Charitable Trust delivers the charitable objectives by making grants to the Liverpool Heart & Chest Hospital NHS Foundation Trust. Grants made amounted to £825k in 2020/2021 (2019/20 £251k). At 31st March 2021, £1,227k was owed to the Liverpool Heart & Chest Hospital NHS Foundation Trust (2019/20 £239k).
	12.2	There was no Trustee indemnity insurance during the year.
Loans or Guarantees Secured against assets of the charity	**13**	There were no loans or guarantees secured against assets of the Charity.

Liverpool Heart and Chest Hospital Charity

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF LIVERPOOL HEART AND CHEST HOSPITAL CHARITY

Opinion

We have audited the financial statements of Liverpool Heart and Chest Hospital Charity (the 'charity') for the year ended 31 March 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the 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 Financial Reporting Standard 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 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. 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 contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF LIVERPOOL HEART AND CHEST HOSPITAL CHARITY

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require 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 statement of trustees' responsibilities, 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 the trustees either intend to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 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.

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

Enquiries of management and those charged with governance were held in order to identify any laws and regulations that could be expected to have a material impact on the financial statements. Throughout the audit, the team were updated with the outcomes of these enquiries including consideration as to where and how fraud may occur in the company.

The audit procedures undertaken to address any potential risk in relation to irregularities (which include fraud and non-compliance with laws and regulations) included: enquiries of management and those charged with governance on how the company complies with relevant laws, regulations and any cases actual or potential litigation or claims; examination of appropriate legal correspondence; review of board minutes; testing of journal entries for appropriateness; and analytical procedures on account balances to identify variances against expectation which may show indications of fraud.

No instances of material non-compliance were identified, although the prospect of detecting irregularities, including fraud, is inherently difficult. This is due to; difficulty in detecting irregularities; limits imposed by the effectiveness of the entity's controls; and the nature, timing and extent of the audit procedures performed. Irregularities as a result of fraud are inherently more difficult to detect than those that result from error. Despite this the audit has being planned and performed in accordance with ISAs (UK), there is an unavoidable risk that material misstatements may not be detected.

A further description of our responsibilities is available 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 LIVERPOOL HEART AND CHEST HOSPITAL CHARITY

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.

Other matters which we are required to address

The prior year financial statements were subject to independent examination, as a result the prior year financial statements were not audited.

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 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.

McLintocks (NW) Limited .....

Chartered Accountants
Statutory Auditor

2 Hilliards Court
Chester Business Park
Chester
Cheshire
CH4 9PX

McLintocks (NW) Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006.