

**Trustee's Annual Report and Accounts**  
**North Bristol NHS Trust Charitable Funds**

**For the year ended 31 March 2022**



**North Bristol NHS Charitable Funds operates under the name**  
**Southmead Hospital Charity**

**Registered Charity Number: 1055900**



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## **Introduction**

Southmead Hospital Charity, Registered Charity Number 1055900, is administered and managed by the sole Trustee, North Bristol NHS Trust as a corporate body, which is represented by the Trust Board of Directors.

The Charity's annual report and accounts for the year ended 31 March 2022 have been prepared by the Corporate Trustee in accordance with FRS102 and the Statement of Recommended Practice for charities. Both the Chair of the Trust Board and the Non-Executive Directors are appointed by NHS England, and the Executive members of the Board are subject to recruitment by the NHS Trust Board. Members of the Trust Board and Southmead Hospital Charity Committee are not individual Trustees under charity law but act as agents on behalf of the Corporate Trustee.

## Chair's message

Southmead Hospital Charity (SHC) is proud to be the official charity of North Bristol NHS Trust (NBT). With the help of our dedicated and passionate donors, we support world-class projects across our five key areas: pioneering research; patient & family wellbeing; staff wellbeing & training; cutting-edge equipment; and enhancing buildings & spaces.

Over the year we have had a renewed focus on connecting with our 12,000 colleagues across NBT to deliver over 500 projects to support patients and staff through the pandemic. This has seen a significant increase to £3.8m approved spend on project activities, some of which span multiple years as we move into supporting the covid recovery of NBT and continue to drive innovation. As global, economic, and consumer finance issues developed, we were still able to achieve an income of around £2m, which reflects the challenging fundraising climate that we know is likely to continue.

To achieve the increased level of approved spend on project activities we have engaged with all divisions and departments throughout NBT. We have agreed an improvement strategy for the coming two years to increase awareness of the charity with patients and staff, alongside enhanced impact and donor stewardship, with an expectation of significant income growth from 2024/25.

Over the next year, we have some exciting projects in the pipeline which will continue to make our great hospital even better; from continuing to support our wonderful staff, setting up an innovative 3D design centre to help people with prosthetics, to a huge investment in our vital volunteering service.

As the NHS focusses on recovery from the pandemic, we are proud to play our part, and are grateful to our donors for their incredible support of the patients and staff at NBT. I look forward to another year of using our existing funds and new donations to support the delivery of great new projects to make our NHS better for everyone.



**Richard Gaunt**

**Chair, Southmead Hospital Charity Committee**

**Non-Executive Director, North Bristol NHS Trust**



## Objectives and activities

The overall registered purpose of the Charity is to, 'apply income for any charitable purpose relating to the National Health Service wholly or mainly for the services provided by North Bristol NHS Trust'. It is the responsibility of the Trustee to ensure that all donations and legacies are utilised strictly in accordance with the purpose for which they were given.

As the official charity of North Bristol NHS Trust (NBT), donations to us deliver world-class projects and comforting items over and above what the NHS funds. We work alongside the 12,000 staff at NBT, which treats one million patients from Bristol, South Gloucestershire, South Wales and further afield every year and we aim to make life better for staff, patients and their families by supporting projects across our five key areas:



**Pioneering  
research**



**Patient &  
family  
wellbeing**



**Staff  
wellbeing  
& training**



**Cutting-edge  
equipment**



**Enhancing  
buildings &  
spaces**

NBT is home to Southmead Hospital, Cossham Hospital and the Bristol Centre for Enablement. It is the major trauma centre for the South West, and a regional specialist centre for neurosurgery, renal transplants and stroke services. Every year, it treats one million patients from Bristol, South Gloucestershire, South Wales and beyond.

## Achievements and performance

During the financial year the impact of Covid both world-wide and within the UK continued. The fundraising climate continues to be challenging with much uncertainty about our standard fundraising activity, with the war in Ukraine and the spiralling cost of living likely to negate any benefits anticipated from the lifting of Covid restrictions. Rising living costs outpacing wage growth has undoubtedly had a knock-on effect on charitable giving across the UK, and we anticipate this will continue into next year as interest rates and inflation rise. Despite this, our Christmas fundraising this year was the most successful to date, as we adapted and evolved our activity away from more traditional forms of community fundraising and towards online and digital activity. We are looking to develop our legacy and major giving pipeline considerably over the next couple of years. We also launched our first full Impact Report for 21/22, which can be found on our website and features examples of the transformations that donations have achieved this year:

[www.southmeadhospitalcharity.org.uk](http://www.southmeadhospitalcharity.org.uk).

Examples of how donations make a difference across our five pillars of focus include:

### Pioneering research: **£889,205**

**Artificial Intelligence research (£35,217)** will create an instrument which uses AI to interpret and assess brain health. This pioneering project is rooted in Multiple-Sclerosis research but has potential wide-spread benefit to other conditions.



**Pioneering  
research**

**The Lung Health @30 project (£191,527)** is extending the world-leading ALSPAC clinic to help understand the origins of chronic lung disease, to include assessment of lung function and impact of COVID-19 on lung health.



## Patient and family wellbeing: **£512,994**

**Pelvic Pain Management Programme (£67,810)** unique to the hospital and only the third of its kind in the country, this bespoke programme combined a multidisciplinary approach, with two Clinical Psychologists, a Pelvic Health Physiotherapist, and an Endometriosis and Pelvic Pain Clinical Nurse Specialist.



**Patient &  
family  
wellbeing**

**Band 7 Physician Associate Pilot in Geriatric Perioperative Care (£55,000)** This dedicated role will improve outcomes for elderly patients after emergency general surgery through proactive case-finding and review of older patients.

## Staff wellbeing and training: **£1,444,466**

**Our nurse apprenticeship scheme (£294,500)** opens the path to further education for 10 exceptional nurse apprentices to gain their registered nursing degree. Supporting them throughout their learning, the programme removes the glass ceiling for those who would not have been able to access this level of education otherwise.



**Staff  
wellbeing  
& training**

**Staff psychological wellbeing (£237,735).** Responding to the rapid and increased demand for psychological support in the pandemic, donations added a further Clinical Psychologist to our Psychological Wellbeing team, and a Psychology Assistant to run preventative wellbeing sessions and embed a culture of compassionate care across the Trust.

## Cutting edge equipment: **£743,041**



**Cutting-edge  
equipment**

**Clinical information system for ICU (£480,000)** This system will transform the way staff work in ICU. Staff will quickly input data into a shareable digital system, instead of a physical chart, freeing up significant staff time and improving decision making and patient safety.

**Neonatal life support mannequin (£1,843)** A much-needed teaching mannequin is helping train junior doctors and multidisciplinary team on neonatal resuscitation, giving seriously ill new-born babies the best chance at life.

## Enhancing buildings and spaces: **£267,588**



**Enhancing  
buildings &  
spaces**

**ICU garden (£125,000)** Earlier this year, a long-awaited terrace garden for the Intensive Care Unit (ICU) was opened for patients, their families, and staff. It is now a welcoming, safe and calming space for patients and their families to enjoy the sunshine and fresh air together.

**Saplings Nursery Garden Development (£13,318)** The unused garden has been transformed into a creative, safe, and natural outside space to give children the freedom to explore and express themselves.

Fundraising for the hospital is a community effort - we receive support and donations from hundreds of individuals, companies, charitable trusts and community associations each year. There are too many to mention individually but collectively they have helped the Charity make a real impact, improving the care our patients at NBT receive and the additional support we are able to offer to our visitors and staff.

As a Charity we constantly aim to improve and renew our processes in order to guarantee we implement and deliver best practice across the Charity, giving donors confidence and assurance in our charitable activity and future ambitions. Throughout the year we have made numerous improvements including a review of our policies and procedures, and more detailed strategy and planning exercises, which are reviewed by both the Charity Committee and Corporate Trustee in their meetings.

The successes of note over the last 12 months include:

- £3.8m approved project spend, our largest ever
- The building of relationships across the Trust to encourage divisional spend
- Improved reporting and tracking for projects, Trusts and legacies
- Introduction of processes to treat donors properly
- Launched a new Impact Report to support improved communication and governance requirements
- A new website and online giving platform
- Procurement of a new Customer Relations Management (CRM) software
- A new In Memory giving platform and funeral directors pack
- Most successful Christmas Appeal
- Claiming of Gift Aid for the past four years
- New governance processes

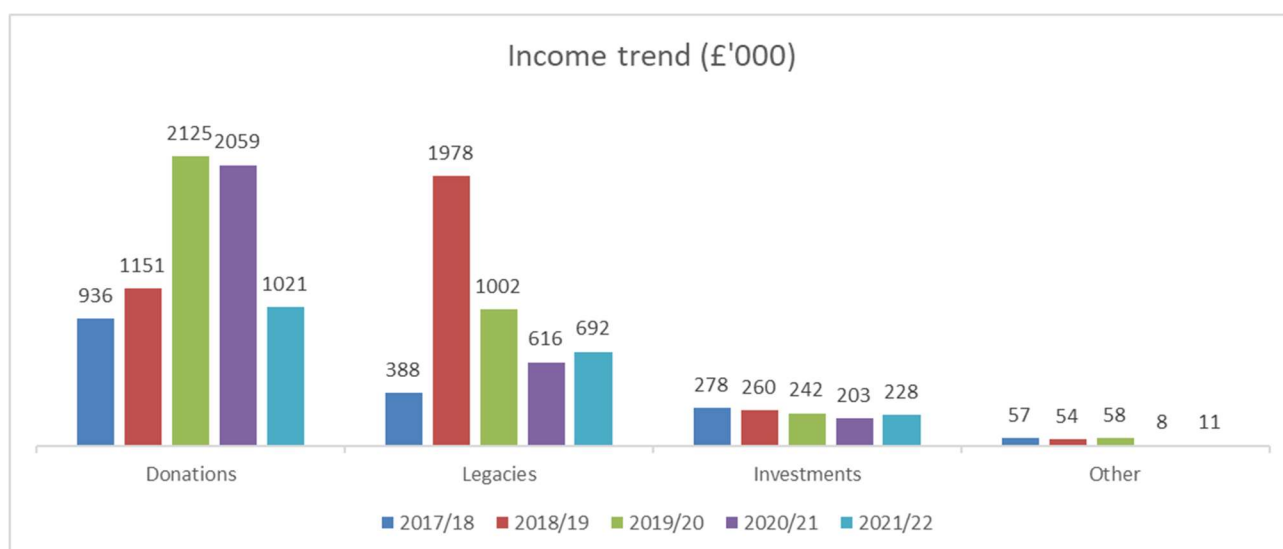
## Financial review

### Income

Total income in the year was £2.0m, which is a drop of 32% on the previous year of £2.9m. The drop was mainly driven by a fall in donations to pre-pandemic levels after unprecedented generosity from the general public toward the NHS during these difficult times. It also reflects the current global economic turmoil, which has created the challenging fundraising climate that is likely to continue in the foreseeable future.

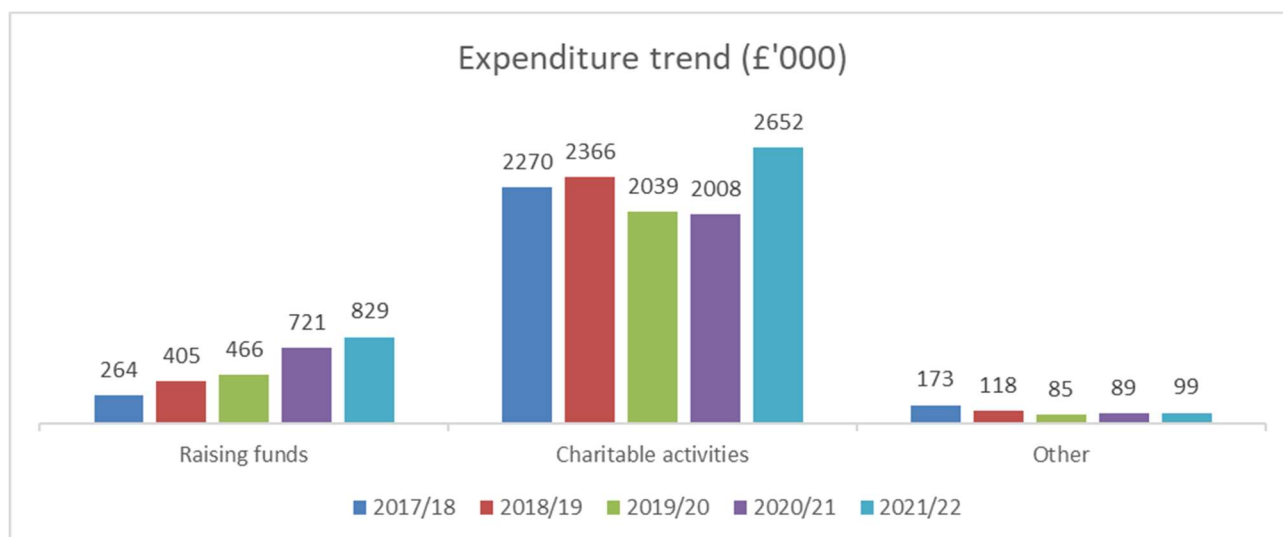
Due to the effect of the pandemic, there have been delays in legacy administration and payments of some estates will be reflected in upcoming year as a result. We are extremely grateful to those who remember the charity in their wills, and whose generosity plays a vital role in enhancing our hospitals.

Investment income from the portfolio held at levels consistent with previous years. While the current economic climate affected individual donations, it has not yet had a major impact on investments. However, we are seeing increased volatility in global markets and future investment income levels are therefore more uncertain than in the past. As we continue to focus on increasing spend, we anticipate investment income will reduce as investments are drawn down to pay for charitable schemes.



## Expenditure

Total expenditure has increased from £2.8m to £3.6m. This is mostly driven by an increase in the amount of in-year spend on charitable activities, which has risen from £2m in 2020/21 to £2.7m in 2021/22. The Charity plans to continue this trend in future years. More details on key projects funded in 21/22 financial years can be found in earlier sections of this report.



There are no uncertainties about the Charity's ability to continue as a going concern despite the reduction in income. It is the Charity's strategy to utilise donations made in previous years, hence, it is expected that expenditure would outweigh income in upcoming years. To facilitate this process, the reserves accumulated in the investment portfolio will be drawn upon to offset any reduction in income and fund ongoing spend in the medium term.

## Investments policy

The Trustee invests the Charity's funds for growth and income using appointed investment managers. The Charity Committee regularly reviews the performance of the investments and is committed to responsible investment, which means investing in businesses that demonstrate a positive approach to the environment, society and governance (ESG). The accounting policy on investments is detailed in note 2.8 and notes that the Charity expects investments to be made in funds where the MSCI's Environmental, Social and Governance (ESG) rating is a minimum of BB. MSCI Inc. is a market leader in assessment of environmental and social impact assessment for an investment market. The objective to maintain a balanced portfolio, where the equity investments in the portfolio remain within the criteria of between 35-55% was achieved.

In order to maximise income potential, the Charity invests to generate both interest and dividends. To achieve this, an official pooling scheme is operated for investments through expert investment managers (Evelyn Partners, previously Smith & Williamson, before merger).

Under the Trustee Investment Act 1961 and the Trustee Act 2000, the Charity as a corporate body is empowered to invest in certain categories of investments. North Bristol NHS Trust Charitable Funds make investments in accordance with these Acts.

## **Funds**

The total funds carried forward at 31 March 2022 are £10,869k (31 March 2021: £12,093k). The majority of these funds above are held for the specific benefit of the patients and staff of the listed service of the North Bristol NHS Trust.

The Charity holds £31k (31 March 2021: £31k) in a permanent endowment fund which represents donations made where the donor requested that the capital be invested, remain unspent and the income earned on the capital used by the charity. Income earned on this fund is recognised in the General funds. Any market value gains or losses are recognised within the General fund, which ensures the capital balance is maintained.

There are a number of restricted funds where the donor restricts the purpose for which the fund can be used. These totalled £1,132k at 31 March 2022 (31 March 2021: £1,000k).

Unrestricted funds include the General Fund and funds designated for a specific purpose by the trustees. Unrestricted funds totalled £9,706k, a decrease of £1,356k on the previous year, of which £404k was investment gains for the year. Total gains of £1,577k have been placed in a separate Investment revaluation reserve in order to protect General Funds from the ups and downs of stock market investments.

Designated funds are unrestricted funds and designated by the trustee for particular purposes and may include those wishes indicated by a donor. Designated funds totalled £8,904k, an increase of £821k on the previous year.

## **Reserves Policy**

The Charity receives income in the form of donations and bequests/legacies. This income is banked when it is received. By its nature, it is difficult to predict in advance the amount of income that the Charity is likely to

receive. Therefore, it is essential that the Charity maintain sums of money on reserve to meet its requirements and to act as a buffer against stock market fluctuations.

It is the policy of the Trustees to retain between 20% - 30% of the value of the Charity's Investment portfolio as unrestricted reserves. The value of the Charity's unrestricted reserves, including investment revaluation reserve, as at 31 March 2022 were £2,379k. The reserves held at 31st March 2022 were 23.0%, which is calculated as follows:

Total value of Investment Portfolio:	£10,347k
Unrestricted funds held in reserve:	£802k
Investment revaluation reserves:	£1,577k
<b>Total</b>	<b>£2,379k</b>

### **Principal risks and uncertainties**

The Charity has identified and examined all major risks to which it is exposed and systems have been established to mitigate these risks.

The main identified financial risks are that investments are not properly safeguarded, investments are subject to stock market fluctuations, and inappropriate expenditure may be made (too high, too low or not properly authorised). The investment performance is closely monitored by the Southmead Hospital Charity Committee and a reserve is maintained in accordance with the Reserves Policy. Expenditure is covered by strict authorisation rules following approval of annual spending plans.

### **Sustainability**

The Corporate Trustee would like to state its commitment to reduce both greenhouse gas emissions and energy consumption; both in the Charity costs it incurs and the charitable expenditure it seeks to fund. As the Charity is unincorporated, reporting within our Annual Report under the Streamlined Energy and Carbon Reporting (SECR) requirements is not necessary.

## Our future plans

We have had an incredibly busy and rewarding year at Southmead Hospital Charity, but we have more still to do. During the next 12 months we will:

- Progress our staff engagement programme – a carefully devised sustained programme of activity to create a cultural shift that better supports fundraising and communications performance in the Charity.
- Progress our grateful patients programme to support donor acquisition across all income streams – including improving Charity visibility onsite and harnessing the influence of 12,000 NBT staff as advocates.
- Embed insight-driven decision making – with effective delivery and development of the new database as a priority.
- Develop more meaningful impact stories around spend and improve communications.
- Continued spend down of existing funds, with a focus on breadth and depth of impact delivered, through increased patient-focused projects and more strategic approach to identification of projects at a strategic level in NBT.
- Development of major donors, legacies, and regular giving as the areas of greatest income growth potential.

The Charity's plans are ambitious, and together with our dedicated supporters, Trustees, staff and charity partners, we can ensure a lasting legacy of a World-class National Health Service in the South-West.

In the short to medium term, the fundraising team will work on a number of priorities to improve engagement, grow fundraising across our current five key areas: research; patient support & wellbeing; staff wellbeing & training; equipment and buildings & spaces. In the longer term, the Charity, working with NBT's senior team, will explore Trust priorities for potential options for the next large campaign to benefit from philanthropic support. To support this, our donor activity will focus on building and cultivating meaningful, strategic philanthropic relationships with High-Net-Worth individuals, corporates and trusts.

Operationally we will continue to work with our Fund Holders and divisional teams to increase spend across NBT adhering to donor wishes and therefore benefitting more projects in a timely manner. With the introduction of a new Charity database and reporting system we will focus on using data and business planning to actively grow the Charity and enable us to present evidence-based income and expenditure reports to the Charity Committee and Corporate Trustee.



## Structure, governance and Charity management

### Registration with the Charity Commission

North Bristol NHS Trust Charitable Funds is registered with the Charity Commission number 1055900, under trust deed, dated 20 May 1996. The principal office is noted on page 39.

Charitable funds received by the Charity are accepted, held and administered as funds and property held on trust for purposes relating to the health service in accordance with the National Health Service Act 2006 and the National Health Service and Community Care Act 1990 and these funds are held on trust by the corporate body.

### Southmead Hospital Charity Committee

North Bristol NHS Trust (NBT) is the Corporate Trustee of Southmead Hospital Charity governed by the law applicable to Trusts, principally the Trustee Act 2000 and the Charities Act 2011. Membership of the board of the Trust is made up of those appointed positions of non-executive directors, associate non-executive directors, executive directors and non-voting executive directors. Member names can be found on page 37.

In accordance with guidance from the Department of Health & Social Care, the Charity also administers funds held on trust on behalf of Bristol, North Somerset and South Gloucestershire CCG (BNSSG).

The authority to administer NBT's charitable funds have been delegated by the NBT's Board to Southmead Hospital Charity Committee. The Committee meets on a quarterly basis to review reports on the management of the funds and to consider recommendations made by NBT's investment advisors concerning the Charity's portfolio. Appropriate guidance issued by the Fundraising Regulator, Charity Commission and Information Commissioner's Office concerning charity law and the role and responsibilities of Trustees have been made available to members of the Committee.

Acting for the Corporate Trustee, Southmead Hospital Charity Committee is responsible for the overall management of Southmead Hospital Charity. Membership of the Committee is made by appointment by the Corporate Trustee. Names can be found on page 38.

### The Committee is required to:

- Control, manage and monitor the use of the fund's resources for public benefit.
- Provide support, guidance and encouragement for all its income generating and philanthropic activities whilst managing and monitoring the receipt of all income.

- Ensure that 'best practice' is followed in the conduct of all its affairs fulfilling its legal responsibilities.
- Ensure that the Investment Policy approved by the NBT's Board as Corporate Trustee is adhered to and that performance is continually reviewed whilst being aware of ethical considerations.
- Keep NBT's Board fully informed on the activity, performance and risks of the Charity.

### **Terms of Reference**

The Trustees of NBT approve the Terms of Reference for Southmead Hospital Charity Committee. These terms act as the governing document for the Charity and all funds held therein, in conjunction with the Trust Deed.

### **Management**

Day-to-day running of the charity is carried out by the Senior Leadership Team, consisting of three paid members of staff, and includes the Director of Southmead Hospital Charity, the Head of Fundraising and the Head of Fundraising Operations. The Director reports directly to one of the board members of NBT on a daily basis and to Southmead Hospital Charity Committee on a quarterly basis.

### **Charity staff**

Southmead Hospital Charity team members are employed by NBT to raise funds, promote and administer NBT's Charitable Funds on behalf of the Trustee. Staff members work with the Association of NHS Charities, Fundraising Regulator, the Charity Commission, Fund Holders, donors and the Southmead Hospital Charity Committee, reporting through line management. Whilst employed by NBT, the employment costs of these staff applicable to their involvement in the work of the Charity are charged to the Charity.

The NBT Board of Directors delegates the responsibility of authorising expenditure charged to the Charity in accordance with a defined banding structure which is contained in NBT's detailed Scheme of Delegation.

### **Auditor**

An independent audit is conducted annually to fulfil the charity's legal obligations and for the trustee to ensure financial statements have been properly prepared and give a true and fair view. The auditor's report to the corporate trustee is given on pages 21 to 24.

### **Statement as to disclosure of information to auditors**

The corporate trustee has taken all the necessary steps to make themselves aware, as Trustee, of any relevant audit information and to establish that the auditors are aware of that information. As far as the corporate trustee is aware, there is no relevant audit information of which the charity's auditor is unaware.

## Fundraising

To achieve our charitable aims we need to raise vital income through fundraising. In all cases we ensure we meet the standards and obligations that must be met in all our fundraising activities.

The Charity ensures that all fundraising expenditure will be to maximise our return on investment whilst maintaining the best possible relationship with our donors and supporters. In ensuring we focus on both raising funds across all income streams and to improve our governance, business planning and compliance with regulation, our fundraisers are staff members. No fundraising is undertaken by commercial participants for the Charity. We do acknowledge that some of our supporters seek to raise money by undertaking self-determined events and challenges voluntarily and other organisations that support our work may also donate to the charity; and we are grateful for their support.

The Charity is a member of the NHS Charities Together (NHSCT) who ensure that we are kept informed and fully updated on all current and developing issues. Concerns are highlighted and knowledge is shared with similar organisations. NHSCT raises funds to which applications for grants can be made; though there is no agreement in place for funds to be automatically forwarded to the Charity.

The Charity subscribes to the Fundraising Regulator and supports the Code of Fundraising Practice. We pay their voluntary levy and abide by their regulations and principles of best practise. There were no incidents of non-compliance during the year. We are also registered with the Fundraising Preference Service, which enables individuals to opt out from receiving fundraising communications from us should they choose to do so.

Southmead Hospital Charity Committee approves the annual income target and operating expenditure budget for the year. The Charity's senior leadership team utilises the resources allowed in the expenditure budget to deliver against the team's income target. The Charity reports on a quarterly basis to the Charity Committee and Corporate Trustee. If the Charity fails to generate its expected return on investment the Charity Director will recommend strategies to improve the return and implement alternative fundraising plans.

While we do everything we can to provide the best possible service, we are aware we may not always get it right. The Charity has an agreed complaints procedure, and complaints log, and staff are required to bring any complaint to the attention of the Business Development Manager and Senior Leadership Team and to record the complaint on the Charity's CRM database. The Charity has received no fundraising complaints during 2021/2022 (none in 2020/2021).

As part of NBT, the Charity has approved policies for safeguarding and privacy, which follow the strict NHS guidelines around safeguarding. The Charity's website includes our privacy policy and a commitment to ensuring that supporters are in control of how communications with them are managed. In compliance with the Data Protection Act and the Information Commissioner's guides and code, we are responsive to all communications preference updates and act according to the wishes of our supporters on how their personal data is handled.

The patients of NBT are the ultimate beneficiaries of the Charity and NBT is a related party by virtue of being the Corporate Trustee of the Charity. By working in partnership with NBT, the charitable funds are used to best effect. When deciding upon the most beneficial way to use charitable funds, the Corporate Trustee reviews to the main activities, objectives, strategies and plans of NBT.

We remain indebted to the work of the League of Friends affiliated to each of our hospitals, who raise thousands of pounds each year and contribute towards the purchase of major items of medical equipment.

### **Public Benefit Statement**

The National Health Service, is a publicly funded healthcare system founded by Aneurin Bevan, in 5 July 1948. It has developed over the years and is seen as a UK national treasure around the world. This Annual Report describes the involvement and passion of many of those wishing to support North Bristol NHS Trust through the Charity delivering a public benefit that is both sustainable and seeks to increase in its impact and for generations to come.

This Annual Report has been prepared with regard to public benefit guidance published by the Commission and complies with section 17 of the Charities Act 2011. The trustee confirms that they have had regard to the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives, and in planning activities and setting policies and priorities for the year ahead.

Southmead Hospital Charity exists to enhance the services for patients and to provide additional facilities for staff and funding for research, in addition to that which the Trust is normally able to provide. Throughout this report we illustrate how our work furthers our charitable purposes and the significant benefits it brings to communities and individuals.

The Corporate Trustee refers to the Charity Governance Code and seeks to implement the recommendations in continually aiming for best practice and ongoing improvement.

## Statement of Trustee's responsibilities in respect of the accounts

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

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

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP FRS 102;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the charities statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustee is responsible for keeping proper accounting records which 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, the National Health Service Act 2006 and the provisions of North Bristol NHS Trust Charitable Funds' procedures. 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. The Trustee is responsible for the maintenance and integrity of the Charity's finances and any published information. The Trustee confirms to the best of its knowledge and belief it has compiled with the above requirements in preparing the accounts.

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

By Order of the Trustee

Signed and authorised for issue on behalf of the Trustee on 24 November 2022:



Richard Gaunt, Chair



Glyn Howells, Chief Finance Officer

## Independent auditor's report to the corporate trustee of North Bristol NHS Trust Charitable Funds

### Opinion

We have audited the financial statements of North Bristol NHS Trust Charitable Funds (the 'charity') for the year ended 31 March 2022, which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 2022 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 have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities 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

We are responsible for concluding on the appropriateness of the trustee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the charity to cease to continue as a going concern.

In our evaluation of the trustee's conclusions, we considered the inherent risks associated with the charity's business model including effects arising from macro-economic uncertainties such as Brexit and Covid-19, we assessed and challenged the reasonableness of estimates made by the corporate trustee and the related disclosures and analysed how those risks might affect the charity's financial resources or ability to continue operations over the going concern period.

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.

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

The responsibilities of the corporate trustee with respect to going concern are described in the 'Responsibilities of the corporate trustee for the financial statements' section of this report.

### **Other information**

The corporate trustee is responsible for the other information. The other information comprises the information included in the Trustee's Annual Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustee's Annual Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept sufficient accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of the corporate trustee for the financial statements**

As explained more fully in the Statement of Trustee Responsibilities, the corporate trustee is responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the trustee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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.

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

**Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the charity and determined that the most significant which are directly relevant to specific assertions in the financial statements are those related to the reporting frameworks (The Charities Act 2011, the Charities SORP 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);
- We enquired of management and the chair of the Charitable Fund Committee concerning the charity's policies and procedures relating to:
  - the identification, evaluation and compliance with laws and regulations;
  - the detection and response to the risks of fraud; and
  - the establishment of internal controls to mitigate risks related to fraud or non-compliance with laws and regulations.
- We enquired of management and the chair of the Charitable Funds Committee as to whether they were aware of any instances of non-compliance with laws and regulations or whether they had any knowledge of actual, suspected or alleged fraud.
- We assessed the susceptibility of the charity's financial statements to material misstatement, including how fraud might occur, by evaluating incentives and opportunities for manipulation of the financial statements. This included the evaluation of the risk of management override of controls and the risk of revenue recognition associated with donations and legacies. We determined that the principal risks were in relation to:
  - Management override of controls, and in particular journal entries with characteristics we identified as high or elevated risk
  - Improper revenue recognition relating to donations and legacies
- Our audit procedures involved:
  - Identifying and testing unusual journals made during the year and at the accounts production stage for appropriateness and corroboration.
  - Challenging assumptions and judgements made by management in its significant accounting estimates in respect of investment valuations.
  - Evaluating the rationale for any changes in accounting policies, estimates or significant unusual transactions; and
  - Testing on a sample basis, donation and legacy income and gifts in kind and associated receivables to supporting documentation.



- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it.

- Our assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:

- understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation
- knowledge of the sector in which the charity operates
- understanding of the legal and regulatory requirements specific to the charity.

- In assessing the potential risks of material misstatement, we obtained an understanding of:

- The charity's operations, including the nature of its income and expenditure and its services and of its objectives and strategies to understand the classes of transactions, account balances, expected financial statement disclosures and business risks that may result in risks of material misstatement
- The charity's control environment, including the policies and procedures implemented by the charity corporate trustee to ensure compliance with the requirements of the financial reporting framework.

### Use of our report

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

Grant Thornton UK LLP

Grant Thornton UK LLP  
Statutory Auditor, Chartered Accountants

Birmingham

24 November 2022

Grant Thornton UK LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

## Statement of financial activities

for the year ended 31 March 2022 (incorporating an income and expenditure account)

	Note	Unrestricted £'000	Restricted £'000	Permanent endowment £'000	Year ended 31 Mar 2022 £'000	Year ended 31 Mar 2021 £'000
<b>INCOME AND EXPENDITURE</b>						
<b>Income and endowments from:</b>						
Donations	4	957	64	-	1,021	2,059
Legacies		575	117	-	692	616
Other trading activities		1	-	-	1	3
Investments	5	228	-	-	228	203
Other		10	-	-	10	5
<b>Total income</b>		<b>1,771</b>	<b>181</b>	<b>-</b>	<b>1,952</b>	<b>2,886</b>
<b>Expenditure on:</b>						
Raising funds	6	829	-	-	829	721
Charitable activities	7	2,603	49	-	2,652	2,008
Support costs	8	99	-	-	99	89
<b>Total expenditure</b>		<b>3,531</b>	<b>49</b>	<b>-</b>	<b>3,580</b>	<b>2,818</b>
<b>Net (expenditure)/income before gains on investments</b>		<b>(1,760)</b>	<b>132</b>	<b>-</b>	<b>(1,628)</b>	<b>68</b>
Net gains on investments	11	404	-	-	404	1,388
<b>Net (expenditure)/income</b>	9	<b>(1,356)</b>	<b>132</b>	<b>-</b>	<b>(1,224)</b>	<b>1,456</b>
Transfers between funds		-	-	-	-	-
<b>Net movement in funds</b>		<b>(1,356)</b>	<b>132</b>	<b>-</b>	<b>(1,224)</b>	<b>1,456</b>
Funds at the start of the year	15	11,062	1,000	31	12,093	10,637
<b>Funds at the end of the year</b>	15	<b>9,706</b>	<b>1,132</b>	<b>31</b>	<b>10,869</b>	<b>12,093</b>

The notes on pages 28 to 39 are an integral part of these financial statements.

All activities relate to continuing operations.

## Balance sheet as at 31 March 2022

Charity registration number: 1055900

	Note	31 Mar 2022 £'000	31 Mar 2021 £'000 (restated)
<b>Fixed assets</b>			
Investments	3, 11	10,347	10,198
		<b>10,347</b>	<b>10,198</b>
<b>Current assets</b>			
Debtors	12	189	155
Cash at bank and in hand		1,071	2,009
		<b>1,260</b>	<b>2,164</b>
<b>Liabilities</b>			
Creditors: amounts falling due within one year	13	(738)	(269)
<b>Net current assets</b>		<b>522</b>	<b>1,895</b>
<b>Net assets</b>	14	<b>10,869</b>	<b>12,093</b>
<b>The funds of the charity</b>			
Permanent endowment fund		31	31
Restricted funds		1,132	1,000
Unrestricted funds			
General funds		802	2,979
Designated funds		8,904	8,083
<b>Funds at the end of the year</b>	15	<b>10,869</b>	<b>12,093</b>

The financial statements on pages 25 to 39 were approved by the trustee on 24 November 2022

and were signed on its behalf by



Glyn Howells, Chief Financial Officer

## Cash flow statement

For the year ended 31 March 2022

	31 Mar 2022 £'000	31 Mar 2021 £'000
<b>Cash flows from operating activities</b>		
Net cash provided by / (used in) operating activities	(1,421)	(11)
<b>Cash flows from investing activities</b>		
Investment income	228	203
Proceeds from the sale of fixed asset investments	2,042	501
Purchase of fixed asset investments	(1,787)	(1,220)
<b>Net cash provided by / (used in) investing activities</b>	<b>483</b>	<b>(516)</b>
Change in cash and cash equivalents in the year	(938)	(527)
<b>Cash and cash equivalents at the beginning of the year</b>	<b>2,009</b>	<b>2,536</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>1,071</b>	<b>2,009</b>

### Notes to the cash flow statement

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

	31 Mar 2022 £'000	31 Mar 2021 £'000
Net income for the year	(1,224)	1,456
Adjustments for:		
Net (gain) / loss on investments	(404)	(1,388)
Investment income	(228)	(203)
(Increase)/decrease in debtors	(34)	109
Increase/(decrease) in creditors	469	15
<b>Net cash provided by / (used in) operating activities</b>	<b>(1,421)</b>	<b>(11)</b>

#### Analysis of cash and cash equivalents

	31 Mar 2022 £'000	31 Mar 2021 £'000
Cash at bank and in hand	1,071	2,009
<b>Total cash and cash equivalents</b>	<b>1,071</b>	<b>2,009</b>

## Notes to the accounts

### 1. General information

North Bristol NHS Charitable Funds is a charity registered in England and Wales under a declaration of trust, (charity number 1055900) operating under the name Southmead Hospital Charity. As such it is registered with the Charity Commission in the United Kingdom as a charity. The Charity's registered office is Southmead Hospital, Southmead Road, Bristol, BS10 5NB. This is the same as North Bristol NHS Trust which is its parent entity.

The Charity is considered a wholly controlled subsidiary of North Bristol NHS Trust as the Board of North Bristol NHS Trust is, as a corporate body, the trustee of North Bristol NHS Trust Charitable Funds. North Bristol NHS Trust's purpose is to improve healthcare in the region in which it treats patients.

The financial statements have been prepared in compliance 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 (FRS102).

### 2. Accounting policies

A summary of the more important accounting policies, which have been applied consistently, is set out below.

#### 2.1 Basis of preparation

The financial statements have been prepared under the historic cost convention, as modified for the revaluation of certain investments.

The charity constitutes a public benefit entity as defined by FRS102.

The financial statements are prepared in sterling (GBP) which is the functional currency of the charity and is rounded to the nearest £'000. Comparative information relates to the year ended 31 March 2021.

The Trustee is confident that the level of unrestricted reserves and income mean the charity has a secure future. There are no material uncertainties about the charity's ability to continue. The accounts have been prepared on a going concern basis.

#### 2.2 Critical accounting judgements and estimates

The preparation of the financial statements requires management to make some judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date, the amounts reported for income and expenditure and the disclosures made in the financial statements. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, the nature of estimation means that actual outcomes could differ from those estimates.

The main assumptions in these accounts relate to accounting for accruals where requests and intentions to spend funds were not sufficiently progressed to recognise their values; and then also making judgements informed by the documentation provided by and expertise of Evelyn Partners, professional investment managers, in relation to the valuation of the Charity's investment portfolio (see 2.8 below). Also at the year end, as stated in note 18, a critical judgement was made in relation to legacy income and due to uncertainty over the value a contingent asset has been disclosed.

#### 2.3 Income

- a) All incoming resources are included in full in the Statement of Financial Activities as soon as the following three factors can be met.
  - i) Entitlement - arises when a particular resource is receivable or the Charity's right becomes legally enforceable;
  - ii) Probability – it is more likely than not that the economic benefits associated with the transaction or gift will flow to the charity.
  - iii) Measurement - the monetary value or amount of the income can be measured reliably, and, applying matching principles, the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.
- b) Income received from the investment of endowment funds is treated as unrestricted.
- c) Legacies are accounted for as incoming resources once the receipt of the legacy becomes probable. This will be once confirmation has been received from the representatives of the estate that payment of the legacy or transfer of property is likely to be made and a reliable estimate of the value can be made and once all conditions attached to the legacy have been fulfilled.

d) Gifts in kind:

- i) Assets given for distribution by the Charity are included in the Statement of Financial Activities only when distributed.
- ii) Assets given for use by the Charity (e.g. property for its own occupation) are included in the Statement of Financial Activities as incoming resources when receivable.
- iii) Gifts made in kind but on trust for conversion into cash and subsequent application by the Charity are included in the accounting period in which the gift is sold.

In all cases the amount at which gifts in kind are brought into account is either a reasonable estimate of their value to the Charity or the amount actually realised.

In accordance with the Charities SORP (FRS102), no value is ascribed to the unpaid contributions of time and skills provided by volunteers due to the difficulty in attributing an economic value.

## 2.4 Resources expended

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

- a) The costs of generating funds are the costs associated with generating income for the Charity. These will include the costs associated with appeals, printing, publicity and investment management together with appropriate salary costs.
- b) Activities in the furtherance of the Charity's objectives are accounted for on an accruals basis where the conditions for their payment have been met or where a third party has a reasonable expectation that they will receive the grant. This includes grants made to NHS bodies.
- c) Governance costs of the Charity include costs incurred by the finance department of North Bristol NHS Trust. These are accounted for on an accruals basis and comprise all costs of the Charity and its compliance with regulation and good practice. These costs include costs related to statutory audit together with other direct Trustee costs.

## 2.5 Realised and unrealised 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 purchase price if acquired during the year). The Charity has made judgements in making these calculations which are informed by the documentation provided by and expertise of Evelyn Partners, professional investment managers in relation to the valuation of the Charity's investment portfolio (see 2.8 below).

## 2.6 Apportionment

Dividends, interest and governance costs are apportioned monthly to fundraising income fund. Realised and unrealised gains and losses held on reserve are apportioned to restricted and unrestricted funds. Central support and fundraising costs have been allocated to fundraising income fund.

## 2.7 Fund Accounting

- a) Restricted funds are to be used for specific purposes as laid down by the donor and are legally restricted to that purpose. Expenditure which meets this criteria is charged to the fund.
- b) Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes, within the overall objects of the Charity.
- c) Designated funds are unrestricted funds and designated by the trustee for particular purposes and may include those wishes indicated by a donor.
- d) Endowment Funds are those which can only be used to generate income via investments and which cannot be spent. Any market value gains or losses are recognised within the General fund, which ensures the capital balance is maintained. The income is treated as unrestricted.

Activities in the furtherance of the Charity's objectives are accounted for on an accruals basis where the conditions for their payment have been met or where a third party has a reasonable expectation that they will receive the grant. This includes grants made to NHS bodies. Governance costs of the Charity include costs incurred by the finance department of North Bristol NHS Trust. These are accounted for on an accruals basis and comprise all costs of the Charity and its compliance with regulation and good practice. These costs include costs related to statutory audit together with other direct Trustee costs.

## 2.8 Investments

Fixed asset investments are held to generate income maximising value in the short term cash holdings in advance of charitable expenditure. Listed investments are stated at market value. The Charity has made judgements informed by the documentation provided by and expertise of Evelyn Partners, professional investment managers, in relation to the valuation of the Charity's investment portfolio.

An official pooling scheme is operated for investments and is operated by Evelyn Partners, (previously Smith & Williamson before merger) acting as expert Investment Managers for the Charitable Funds. They are instructed to maintain a balanced portfolio of holdings with a criteria where the equity investments in the portfolio should be between 35-55%. The portfolio should include no direct investment in tobacco companies and no investment in Russian Securities. Where possible, the investments in equity and fixed income should only be made in funds where the underlying manager is a signatory to the United Nations Principles for Responsible Investment (UNPRI), or if they are intending to or in the process of becoming a signatory. The Charity expects investments to be made in funds where the MSCI's Environmental, Social and Governance (ESG) rating is a minimum of BB. MSCI Inc. is a market leader in assessment of environmental and social impact assessment for an investment market.

Short term balance monies are held in a current account with our bank until such time as they are needed to meet expenditure requirements. As the balances are dependent on the income received on a day to day basis, they fluctuate in accordance with the income received. In addition to this, cash is held with Evelyn Partners to enable them to purchase and sell investments in line with the investment policy.

Under the Trustee Investment Act 1961 and the Trustee Act 2000, the Charity as a corporate body, is empowered to invest in certain categories of investments. The Charity makes investments in accordance with this Act.

## 2.9 Reserves Policy

It is the policy of the Trustee to retain on reserve a minimum of 20% and up to 30% of the value of the Charity's investment portfolio in the form of unrealised and realised gains. In addition, the Charity holds a minimum cash balance of six months operating costs as a cash reserve.

The Charity's Financial reserves mainly comprise of cash and investment funds. The main purpose of these reserves is to maintain sufficient finance for the Charity's planned future operations and activities. The aim of the reserves is to protect the Charity from unforeseen financial challenges, while making funds available for investment in future activities.

The Investment funds and Cash at bank and in hand are apportioned across the category of restricted and unrestricted funds based on the fund value in the statement of financial activities.

The Charity requires the Fund Holders for each fund to provide a commitment forecast for the year to assist the Charity with its overall financial plans.

The level of reserves and expenditure plans are reviewed quarterly to ensure that the Charity expenditure is in line with income and reduces the level of reserves held.

## 2.10 Stock

The Charity had £nil value of stock as at 31st March 2022. All items of donated stock were distributed during the financial year. Donated items of stock are recognised at fair value which is the amount the charity would have been willing to pay for the items on the open market.

## 2.11 Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. A provision is created for any doubtful debt, based on its ageing accordingly. Prepayments are valued at the amount prepaid net of any trade discounts due.

## 2.12 Cash at bank and in hand

Cash and cash equivalents comprise cash on hand and on demand bank deposits, cash held by the Trust on the Charity's behalf and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk to changes in value.

## 2.13 Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

## 2.14 Financial instruments

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

### 3. Change of accounting policy and retrospective application

During the year the charity changed its view on the classification of investments. Previously, the charity presented investments as current assets based on the assumption around the nature of the investment portfolio enabling the charity to withdraw funds at any point in time. A change in the accounting policy takes into consideration an actual probability of such withdrawals. In the last couple of years, it appears that the charity tended to steadily increase its investment portfolio rather than actively withdrawing funds. The change in accounting policy led to retrospective application by reclassifying £10,198k of investments from current to non-current assets. The change does not impact on any actual values in the prior periods, except for subtotals for current assets (previously £12,362k, now £2,164k) and net current assets (previously £12,093k, now £1,895k).

### 4. Income from donations

	Unrestricted £'000	Restricted £'000	Year ended 31 Mar 2022 £'000	Unrestricted £'000	Restricted £'000	Year ended 31 Mar 2021 £'000
Donations	487	-	487	1,457	-	1,457
Grants	302	64	366	450	-	450
Other	168	-	168	152	-	152
	<b>957</b>	<b>64</b>	<b>1,021</b>	<b>2,059</b>	<b>-</b>	<b>2,059</b>

During the year and included above is a restricted grant from NHS Charities Together £64k for staff well-being.

### 5. Investment income

	Unrestricted £'000	Restricted £'000	Year ended 31 Mar 2022 £'000	Unrestricted £'000	Restricted £'000	Year ended 31 Mar 2021 £'000
Dividends and listed security other income	108	-	108	136	-	136
Interest receivable	120	-	120	67	-	67
	<b>228</b>	<b>-</b>	<b>228</b>	<b>203</b>	<b>-</b>	<b>203</b>

All investment income is unrestricted.

### 6. Costs of raising funds

	Unrestricted £'000	Restricted £'000	Year ended 31 Mar 2022 £'000	Unrestricted £'000	Restricted £'000	Year ended 31 Mar 2021 £'000
Fundraising salaries	660	-	660	565	-	565
Fundraising costs	107	-	107	104	-	104
Investment charges	62	-	62	48	4	52
	<b>829</b>	<b>-</b>	<b>829</b>	<b>717</b>	<b>4</b>	<b>721</b>



**7. Expenditure on charitable activities**

	Unrestricted £'000	Restricted £'000	Year ended 31 Mar 2022 £'000	Unrestricted £'000	Restricted £'000	Year ended 31 Mar 2021 £'000
Research	127	-	127	68	-	68
Patient and family wellbeing	388	9	397	442	-	442
Staff support and training	1,757	40	1,797	1,055	27	1,082
Equipment	320	-	320	416	-	416
Buildings and spaces	11	-	11	-	-	0
	<b>2,603</b>	<b>49</b>	<b>2,652</b>	<b>1,981</b>	<b>27</b>	<b>2,008</b>

**8. Support costs**

	Unrestricted £'000	Restricted £'000	Year ended 31 Mar 2022 £'000	Unrestricted £'000	Restricted £'000	Year ended 31 Mar 2021 £'000
Finance service costs	80	0	80	77	0	77
Governance costs:						
Audit services	19	0	19	12	0	12
	<b>99</b>	<b>0</b>	<b>99</b>	<b>89</b>	<b>0</b>	<b>89</b>

Governance costs, excluding audit services and other support costs are borne by the trustee. Audit services are stated gross of VAT.

**9. Net (expenditure)/income for the year**

	2022 £'000	2021 £'000
Net (expenditure)/income for the year	(1,224)	1,456
This is stated after charging:		
Auditor's remuneration: Audit services (net of VAT)	(14)	(12)

**10. Staff costs**

	Year ended 31 Mar 2022 £'000	Year ended 31 Mar 2021 £'000
Wages and salaries	528	451
Social security costs	56	60
Pension costs: defined contribution scheme	76	54
	<b>660</b>	<b>565</b>

During the year the Charity paid £nil in termination costs (2020/2021 £25,923).

**Staff numbers**

		Year ended 31 Mar 2022 Number	Year ended 31 Mar 2021 Number
Cost of raising funds:	Average headcount	13	12
Charitable activities:	Average headcount	2	2
<b>Total</b>	<b>Average headcount</b>	<b>15</b>	<b>14</b>

No representatives of the trustee received any emoluments during the year from the Charity for their roles as trustee representatives (2020/21: none). During the year, no out-of-pocket expenses (2020/21: none) were paid from the Charity. The total cost of the trustee expenses was higher than this, but some representatives chose to waive their expenses. The Trustee does not consider it economically worthwhile to collect data on waived expenses so the value of this has not been quantified.

The key management personnel of the Charity comprise the Trustee representatives, who are not remunerated for these roles and give freely of their time, and the Charity Director, Head of Fundraising and Head of Fundraising Operations. The total employee remuneration of key management personnel (including national insurance) was £183k (2020/21: £110k) plus pension contributions of £24k (2020/21: £13k).

Employees received emoluments (excluding national insurance and pension contributions) in excess of £60,000 within the following ranges:

Banding:	Year ended 31 Mar 2022 Number	Year ended 31 Mar 2021 Number
£60,001 - £70,000	-	-
£70,001 - £80,000	1	-
£80,001 - £90,000	-	1

## 11. Investments

	2022 £'000	2021 £'000
Market value at start of year	10,198	8,092
Unrealised gains/(losses)	(149)	1,210
Realised gains	553	177
Equalisation	(1)	(2)
Sale of investments	(2,042)	(501)
Purchase of additional investments	1,788	1,222
<b>Market value at end of the year</b>	<b>10,347</b>	<b>10,198</b>
Historical cost at end of the year	8,770	8,472
Fixed interest securities – UK	2,810	3,043
Equity shares – UK	1,607	1,547
Equity shares – overseas	3,046	3,055
Property funds	1,328	1,134
Alternative investments	1,556	1,419
<b>Total</b>	<b>10,347</b>	<b>10,198</b>

No investments represent over 5% by value of the portfolio. No transfer of funds for capital transactions during the year between the Charity and Investment Managers were made; and no drawdowns of capital amounts were received by the Charity.

**12. Debtors**

	<b>2022 £'000</b>	<b>2021 £'000</b>
Trade debtors	186	152
Accrued income	3	3
	<b>189</b>	<b>155</b>

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

	<b>2022 £'000</b>	<b>2021 £'000</b>
Trade creditors	472	158
Amounts owed to parent	266	111
	<b>738</b>	<b>269</b>

**14. Analysis of net assets**

	<b>Unrestricted funds £'000</b>	<b>Designated funds £'000</b>	<b>Restricted funds £'000</b>	<b>Permanent endowment funds £'000</b>	<b>Total 2022 £'000</b>	<b>Total 2021 £'000</b>
Investments	859	8,435	1,022	31	<b>10,347</b>	10,198
Net current assets	(57)	469	110	0	<b>522</b>	1,895
<b>Net assets</b>	<b>802</b>	<b>8,904</b>	<b>1,132</b>	<b>31</b>	<b>10,869</b>	<b>12,093</b>

	<b>Unrestricted funds £'000</b>	<b>Designated funds £'000</b>	<b>Restricted funds £'000</b>	<b>Permanent endowment funds £'000</b>	<b>Total 2021 £'000</b>	<b>Total 2020 £'000</b>
Investments	2,621	6,715	831	31	10,198	8,092
Net current assets	358	1,368	169	0	1,895	2,545
<b>Net assets</b>	<b>2,979</b>	<b>8,083</b>	<b>1,000</b>	<b>31</b>	<b>12,093</b>	<b>10,637</b>

**15. Movements in funds**

	At the start of the year £'000	Incoming resources £'000	Outgoing resources £'000	Transfers £'000	Gains/ (losses) £'000	At the end of the year £'000
<b>Permanent endowment fund</b>	31	-	-	-	-	31
Restricted funds:						
Multiple Sclerosis patient care	224	-	(39)	-	-	185
Multiple Sclerosis	181	-	-	-	-	181
Breast Care Centre	101	-	-	-	-	101
BUI Oncology Urology Research and Treatment	92	-	-	-	-	92
Staff well-being support	-	64	-	-	-	64
BUI Oncology Urology	61	-	-	-	-	61
Dreams and wishes	53	-	-	-	-	53
Mum's the word appeal	53	-	-	-	-	53
Vascular research	45	-	-	-	-	45
Other funds: balances less than £40k	190	117	(10)	-	-	297
<b>Total restricted funds</b>	<b>1,000</b>	<b>181</b>	<b>(49)</b>	<b>-</b>	<b>-</b>	<b>1,132</b>
Unrestricted funds:						
Designated funds:						
Legacies	1,228	117	(405)	-	-	940
Intensive Care Unit	1,275	37	(383)	-	-	929
Springboard research	510	(47)	(49)	-	-	414
Robotic Microscope	-	320	-	-	-	320
Dialysis	320	2	(28)	-	-	294
Renal	302	13	(37)	-	-	278
Helipad	-	-	-	224	-	224
Multiple Sclerosis Clinical Research	209	-	(5)	-	-	204
Medicine Cardiology	169	-	(1)	-	-	168
Parkinson's Research	122	38	-	-	-	160
Fresh Arts	-	31	(104)	228	-	155
Radiology Scanning	119	-	-	-	-	119
Bacteriology Research	113	-	5	-	-	118
Vascular	121	6	(11)	-	-	116
BUI Urology	113	-	-	-	-	113
Dementia	30	-	81	-	-	111
Other designated funds: balances less than £110k	3,452	225	(898)	(115)	-	2,664
General unrestricted funds	2,979	1,029	(1,696)	(2,063)	553	802
Investment revaluation fund	0	-	-	1,726	(149)	1,577
<b>Total unrestricted funds</b>	<b>11,062</b>	<b>1,771</b>	<b>(3,531)</b>	<b>-</b>	<b>404</b>	<b>9,706</b>
<b>Total funds</b>	<b>12,093</b>	<b>1,952</b>	<b>(3,580)</b>	<b>-</b>	<b>404</b>	<b>10,869</b>

The permanent endowment fund represents donations made where the donor requested that the capital be invested, remain unspent and the income earned on the capital used by the charity. Income earned on this fund is recognised in the General funds. Any market value gains or losses are recognised within the General fund, which ensures the capital balance is maintained.

Restricted funds are funds for which the donor has specifically restricted the purpose for which it can be used.

Designated funds are unrestricted funds and designated by the trustee for particular purposes and may include those wishes indicated by a donor.

The General funds represent those unrestricted funds that are freely available for use on the general running costs of the charity.

The majority of the funds above are held for the specific benefit of the patients and staff of the listed service of the North Bristol NHS Trust.

The Investment revaluation fund, set up this year by transfer from General funds, comprises funds set aside following gains on investments. This reserve protects General funds from negative fluctuations in equity values.

The transfer between unrestricted and restricted funds relates to the reclassification of assets following a review during the year.

## 16. Capital commitments

At 31 March 2022 the values of capital commitments that were authorised and contracted for were £nil (2020/21 £nil).

## 17. Related party transactions and transactions with Trustee

During 2021/22 there were no related party transactions with the Directors of the Trust Board of North Bristol NHS Trust (2020/21: £nil).

Details of the remuneration of Trustees from North Bristol NHS Trust are included in the accounts of North Bristol NHS Trust.

The Charity has made revenue and capital payments to North Bristol NHS Trust where the representatives, as listed earlier, of the Trustee are also members of the Trust. All operations of the Charity are directly linked with North Bristol NHS Trust. As a result, the Charity is considered as part of the Group for the purpose of consolidated accounts.

The value of the transactions made directly with the Trustee in line with the objects of the Charity in supporting the work of the Corporate Trustee during the year was £1,070k (2020/21 £1,058k).

The unsecured amounts owed to the parent body (North Bristol NHS Trust) at the year end were £266k (2020/2021 £111k) which are disclosed in note 13.

## 18. Contingent asset

At the year end a contingent asset relating to legacy income due to the charity is noted (2020/21: £nil). This was estimated to be £525k at the year end. Since then, a partial payment of £323k was received, but there is still uncertainty around the remaining value of the estate, which cannot be reliably measured due to the complexity around an ownership structure of the remaining properties.

## Reference and administration details

### Bankers:

NatWest, Government Banking CST, PO Box 2027, Parklands, De Havilland Way, Horwich, Bolton, BL6 4YU

### Auditor:

Grant Thornton UK LLP, 2 Glass Wharf, Bristol BS2 0EL

### Investment Fund Managers:

Evelyn Partners (previously Smith & Williamson Investment Management before merger), Portwall Place, Portwall Lane, Bristol BS1 6NA

### VAT Advisors:

Liaison Financial Services, Liaison Court, Vincent Road, Worcester WR5 1BW

### Solicitors:

DAC Beachcroft LLP, Portwall Place, Portwall Lane, Bristol BS1 9HS

### Corporate Trustee

North Bristol NHS Trust is the sole Corporate Trustee. During the 2021/2022 year the following individuals (non-executive, associate non-executive and executive) served as members of the Trust Board.

### Non-executive Directors

Michele Romaine, Chair, NBT

Professor John Iredale

Kelly Macfarlane

John Everitt (until 30 November 2021)

Tim Gregory, Vice-Chair

Kelvin Blake

Richard Gaunt

Professor Sarah Purdy (from 1 December 2021)

### Associate Non-executive Directors

LaToyah McAllister-Jones (non-voting until 31 March 2022)

Sandra Harding (non-voting) (from 3 January 2022)

Ade Williams (non-voting until 31 December 2021)

Ike Anya (non-voting) (from 1 February 2022)

### Executive Directors

Maria Kane Chief Executive Officer (from 1 April 2021)

Evelyn Barker Interim Chief Executive (to 30 April 2021, then Senior Responsible Officer to 30 September 2021)

Karen Brown Interim Chief Operating Officer (to 17 September 2021)

Jon Scott Interim Chief Operating Officer (from 26 August 2021 to 31 December 2021)

Steve Curry Chief Operating Officer (from 1 January 2022)

Dr Chris Burton Medical Director (to 30 July 2021)

Tim Whittlestone Interim Chief Medical Officer (from 12 July 2021) Chief Medical Officer (from 1 November 2021)

Helen Blanchard Director of Nursing and Quality (to 31 March 2022)

Steve Hams Chief Nursing Officer (from 1 March 2022)

Glyn Howells Chief Financial Officer

Jacqui Marshall Chief People Officer (non-voting)

Neil Darvill Chief Digital Information Officer (non-voting)

Simon Wood Director of Estates, Facilities and Capital Planning (non-voting) (to 31 December 2021)

**During 2021/2022 members of the Charitable Funds Committee were: -**

Chair	Richard Gaunt	Non-Executive Director
Non-Executive Members	Michele Romaine	Chair, NBT
	Kelvin Blake	Non-Executive Director
Executive Directors	Helen Blanchard	Director of Nursing and Quality (to 31 March 2022)
	Glyn Howells	Chief Financial Officer
	Jacqui Marshall	Chief People Officer (non-voting on Trust Board)

**Key Management Personnel**

Sarah Harrison	Charity Director
Julian Hall	Head of Fundraising
Shiona MacPherson	Head of Fundraising Operations



**For further information about Southmead Hospital Charity please contact:**

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