

SOUTH TEES HOSPITALS CHARITY AND ASSOCIATED FUNDS

England & Wales · Charity number 1056061

Details

Other names	SOUTH TEES HOSPITALS GENERAL CHARITABLE FUND AND OTHER RELATED CHARITIES, SOUTH TEES HOSPITALS CHARITY
Status	Registered
Legal form	Other
Registered	1996-06-11
Register	View on the Charity Commission register

Contact

Address	James Cook University Hospital Marton Road Middlesbrough TS4 3BW
Phone	01642854154
Email	stees.charityfinancesystems@nhs.net
Website	http://www.southtees.nhs.uk/about/fundraising/

Activities

Objects: SEE INDIVIDUAL CONSTITUENTS

Activities: South Tees Hospitals Charity raises funds to enhance the services that South Tees Hospitals NHS Foundation Trust provides. The charity supports the provision of general healthcare and staff welfare, improvement of specialist clinical and clinical support services and the advancement of clinical knowledge. The role of the charity is not to fund patient care but to improve it.

Classification

- **How:** Makes Grants To Organisations, Acts As An Umbrella Or Resource Body
- **What:** General Charitable Purposes, Education/training, The Advancement Of Health Or Saving Of Lives, Other Charitable Purposes
- **Who:** Children/young People, Elderly/old People, People With Disabilities, The General Public/mankind

Geography

- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£1,359,000	£1,592,000	£6,369,000	0
2024-03-31	£1,899,000	£2,441,000	£6,876,000	0
2023-03-31	£1,913,000	£1,251,000	£6,832,000	0
2022-03-31	£1,292,000	£2,384,000	£6,476,000	0
2021-03-31	£1,913,000	£1,619,000	£7,095,000	21

Trustees

Name	Role	Appointed
South Tees Hospitals NHS Foudation Trust		2020-12-03

Linked charities

- SOUTH TEES HOSPITALS GENERAL HEALTHCARE AND STAFF WELFARE FUND (1056061-1)
- THIRSK HOSPITAL AND PRIMARY CARE SERVICES (1056061-10)
- NORTHALLERTON HOSPITAL AND PRIMARY CARE SERVICES (1056061-11)
- THE NORTHALLERTON HEALTH SERVICES NHS TRUST (EXPENDABLE FUNDS) COMMON INVESTMENT FUND (1056061-12)
- NORTHALLERTON SERVICES FUND (1056061-13)
- HAMBLETON AND RICHMONDSHIRE PRIMARY CARE TRUST SERVICES FUND (1056061-14)
- NORTHALLERTON HEALTH SERVICES CHARITABLE FUND (1056061-15)
- SOUTH TEES HOSPITALS RESEARCH AND EDUCATION FUND (1056061-2)
- SOUTH TEES HOSPITALS SPECIALIST CLINICAL SERVICES FUND (1056061-3)
- SOUTH TEES HOSPITALS CLINICAL SUPPORT SERVICES FUND (1056061-4)
- SOUTH TEES HOSPITALS PAIN RELIEF SERVICES TRUST FUND (1056061-5)
- SOUTH TEES HOSPITALS GENERAL CHARITABLE FUND (1056061-6)
- GENERAL HEALTHCARE AND STAFF WELFARE (1056061-7)
- RICHMOND HOSPITAL AND PRIMARY CARE SERVICES (1056061-8)
- COMMUNITY AND SPECIALIST CLINICAL SERVICES (1056061-9)

SOUTH TEES HOSPITALS CHARITY AND ASSOCIATED FUNDS

England & Wales - Charity number 1056061

Accounts

Our **HOSPITALS CHARITY**

Supporting the NHS in
Middlesbrough, Redcar & Cleveland
and Hambleton & Richmondshire

SOUTH TEES HOSPITALS CHARITY AND ASSOCIATED FUNDS ANNUAL REPORT & ACCOUNTS

1 April 2024 - 31 March 2025

Principal office:

Charities Office
The Murray Building
South Tees Hospitals NHS Foundation Trust
James Cook University Hospital
Marton Road
Middlesbrough
TS4 3BW

Registered Charity No. 1056061

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Chair's Foreword

I am delighted to present the 2024/25 annual report and accounts for South Tees Hospitals Charity.

Working under our brand name of 'Our Hospitals Charity,' our mission is to make a positive impact on the lives and wellbeing of our patients and staff from across the South Tees area.



In 2024/25, our charity continued to support patients, staff, and families across the region in both main hospital sites at James Cook and the Friarage as well as the wider community. This year we approved 511 grants, totalling £1.228 million, the largest being £129,000. These grants have greatly improved services for our patients, families, and staff across a wide range of our wards and community venues, a snapshot of these are included in this report. We were also delighted to welcome our new Head of Charities, Suzanne McKenna, who joined us during the year.

As we reflect on our 2024/25 achievements, it is also a time for us to look forward. During 2024 South Tees Hospitals NHS Foundation Trust and North Tees and Hartlepool NHS Foundation Trust came together formally to enable closer working across the two organisations. This group structure is now called University Hospitals Tees. Working together our aim is to further improve services for patients across Teesside and North Yorkshire. To enable this, we will work closely with our NHS charity partner North Tees & Hartlepool Together to develop new and innovative ways to raise funds to make life more comfortable for our patients and colleagues.

In the meantime, our work continues unabated as we strive to deliver a more pleasant experience for our patients, visitors and staff across Teesside and North Yorkshire by funding extra resources above and beyond the essential equipment that NHS funding provides.

Year after year, so many people devote themselves to supporting our Charity, often as a result of the care they themselves, or a family member, has received from the NHS. Thanks to your generous donations we provide a large number of grants annually, which in turn helps thousands of people every year. We are extremely grateful to all our fantastic fundraisers, who like us are committed to improving the health and wellbeing of patients, carers, and staff. Thank you all for your continued support, we could not do it without you. If you wish to receive more information, please contact the charity directly at ourhospitalscharity@nhs.net.

As always, I would also like to extend my gratitude to my fellow members of the Charitable Funds Committee, our Board of Directors (the Corporate Trustee of the charity), our dedicated charity staff and many volunteers for their invaluable expertise, enthusiasm, and commitment to our charity.

With very best wishes,

A handwritten signature in black ink that reads "Derek Bell". The signature is written in a cursive style and is placed on a light blue rectangular background.

Professor Derek Bell OBE

Our Aims and Objectives

South Tees Hospital Charity (under the brand name Our Hospitals Charity) raises funds to enhance the services that South Tees Hospitals NHS Foundation Trust provides to more than one million people across the region.

We are committed to supporting our hospitals and community teams and work closely with our clinical and medical colleagues to fund activities, refurbishments and equipment that are over and above those which the NHS can provide.

Our Mission

Our mission is to support and fund initiatives beyond the remit and the capacity of the NHS. To achieve this, we focus on the following key objectives:

- **Delivering excellence and innovation:** Keeping the hospitals and community spaces of the Trust at the forefront of healthcare delivery by purchasing state of the art equipment, funding specialist training, and research.
- **Enhancing our spaces:** Creating the best possible environments for patients and staff.
- **Supporting our teams:** Enhancing our teams' environments and funding training and education to keep our staff at the leading edge of medical advances.
- **Creating special moments:** Providing both large and small opportunities for our patients when in the care of the Trust.
- **Growing our support:** Growing the level of charitable giving to ensure that the work can continue by encouraging staff, supporters, and patients in their fundraising activities.

The hospitals that we support are:

- James Cook University Hospital
- The Friarage Hospital, Northallerton
- East Cleveland Primary Care Hospital
- Redcar Primary Care Hospital
- The Friary Community Hospital, Richmond



Our Impact

Our Hospitals Charity continues to support patients, families, and staff across the South Tees Hospitals NHS Trust area. In 2024/25, we funded 511 projects and activities totalling £1.228m to improve the health and wellbeing of patients, carers, visitors and staff across our sites and community services we see every year. Grants given in the year have ranged from over £200,000 to fund holistic services at James Cook University Hospital, to providing gifts and activities for inpatient children over the Christmas period.

We are delighted to share some highlights below of the many ways in which the charity has made a real difference in 2024/25.



Delivering excellence and innovation

This year, we have been able to fund many pieces of specialist equipment, and training, along with funding new and innovative ways of delivering care to patients.

James Cook University Hospital is home to the Regional Spinal Cord Injuries Unit, one of 11 across the UK. The unit cares for patients from the day of their injury with life-long follow up.

Specialist emergency care and long term rehabilitation is carried out with dedicated facilities in the centre by a specialist team working across many specialties.

During the year, the charity has helped to fund the creation of the Spinal Injuries Isolation Room with a total contribution of £150,000. This will benefit patients with spinal cord injuries who always require specialist treatment and are especially vulnerable to infections. The new space ensures there is a place within the unit to provide seamless specialist care for spinal cord injury patients with infections within the unit.



At the Friarage Hospital in Northallerton, we are currently funding a two year trial of VR equipment for patients with dementia.

Virtual reality is increasingly being adopted in the NHS as a technology that can benefit patients by helping them manage pain and reduce anxiety while assisting staff in their training and medical surgeries. This device, which has already received positive feedback from patients, aims to reduce breathlessness and pain and foster patient wellbeing whilst transforming and improving patient outcomes.

Enhancing our spaces

In 2024/25, we funded 18 new specialist chairs for chemotherapy patients at James Cook University Hospital at a cost of £70,000. The specialist Comfortline recline chairs are designed with adjustable recline, leg elevation and tilt-in options and provide significant comfort to patients during treatment.

Previously patients attended the unit and sat in a generic seating area. Since the addition of the new chairs, there is now a relaxed treatment environment with designated zones for patients, which has helped to increase patient flow through the unit and allowed nurses to deliver more individualised care.



Ward 11 at James Cook University Hospital cares for elderly patients, many of whom have dementia or other conditions which can lead to challenges in terms of isolation and over stimulation.

We have funded a dedicated space on the ward, known as 'The Retreat,' where patients can spend time away from their beds. This environment encourages interaction between patients and offers a more homely environment for people to relax.



Supporting our teams

South Tees Hospitals NHS Foundation Trust is committed to supporting its staff in a wide variety of ways. This year, the charity was able to fund over £0.249m of grants. Working closely with the Trust, we know this has a positive impact on our colleagues' lives and their work, which in turn directly benefits our patients.

We funded £29,000 of staff counselling sessions during the year, providing a safe space for colleagues to receive counselling. We also continued funding for the menopause clinic, which continues to grow and develop its services across the region.

As well as providing individual support to colleagues, we are committed to ensuring the environments our staff work give them a space to rest and relax away from busy and often stressful wards. In 2024/25 we funded the refurbishment of four staff rooms at cost of £130,000 across James Cook University Hospital, along with many other incidental items to help staff day to day.



Creating special moments

Admissions to hospitals, whether planned or unplanned, can be incredibly stressful for patients and their families. At these times, even the smallest gesture can make a real difference.

Throughout the year, the charity provides patients with toiletries, nightwear, and other essentials whenever they need it. We also are on hand to support a wide variety of special occasions, and in 2024/25 we organised three weddings for patients on end of life care, a baptism and brought Christmas early for one of our young patients in paediatric intensive care. We even arranged for the occasional special visitor as pictured!



We also know that for some of our most poorly patients, just being able to do the simple things that many of us take for granted can make a real difference to their quality of life.

In 2024/25, we funded the purchase of three portable ventilators at a cost of £27,000 for our Critical Care Unit. These ventilators allow patients who rely on high flow nasal cannulas to leave the ward for short periods, allowing visits to outdoor areas across the hospital and to spend time with loved ones outside of the unit when they are able, something that has not been possible up until now.



Growing our support: Fundraising

We are only able to offer the wide range of support and funding across South Tees Hospitals NHS Foundation Trust we do thanks to the incredible generosity and commitment of our local community. We receive a wide variety of donations from individuals, groups, and local businesses. These donations, along with various fundraising activities, are our primary source of income.

South Tees Hospitals Charity is a registered charity (Charity No 1056061) and complies with all legislation and guidance from The Charity Commission. The charity is registered with the Fundraising Regulator, and all our fundraising activities comply with their Code of Fundraising Practice. We have a Customer Relationship Management (CRM) database in place to ensure we monitor the activities of people fundraising for us. The CRM also ensure accurate financial record keeping and that we comply with General Data Protection Regulation (GDPR) and Privacy and Electronic Communications Regulations (PECR), regulated by the Information Commissioner's Office (ICO). The charity had no compliance issues registered with ICO in 2024/25. The charity received no fundraising complaints in the last financial year.

Commissioner's Office (ICO). The charity had no compliance issues registered with ICO in 2023/24. The charity received no fundraising complaints in the last financial year.



So many people from across the region take part in organised events, for example the Great North Run, to raise money for the charity. People also organise their own fundraising activities. We work closely with our volunteer fundraisers and supporters to ensure they are aware and compliant with any relevant legislation or guidelines around their fundraising.

The charity runs an internal lottery for staff of South Tees Hospitals NHS Foundation Trust and as such has a small lottery licence which is registered with Middlesbrough Borough Council and reviewed/renewed on an annual basis. During 2024/25 we did not work with any professional fundraisers or commercial participators to recruit new supporters, for example door to door fundraisers.

We are a member of NHS Charities Together and work closely with other NHS charities to benchmark our work, share best practice, and work together to offer education for our teams. In 2024-25, the charity was part of a collective of over 25 NHS charities who came together to support our Great North Run teams from across the country. This collaboration increased the experience we were able to offer our runners with more funds raised for our work.

We are committed to supporting everyone who fundraises for the charity and understand that some people may be classed as vulnerable due to their personal circumstances or the circumstances of their loved ones. We ensure all our staff are trained and able to recognise someone who may be vulnerable and work closely with our hospital teams (and other relevant parties) to ensure the individual gets the most appropriate support.

We remain committed to growing and nurturing the support we receive from so many people who fundraise for the charity, often for very personal reasons. We are incredibly grateful to so many people from across the region and beyond for everything they do.



Looking ahead

We will continue to collaborate closely with our colleagues at South Tees Hospitals NHS Foundation Trust and University Hospitals Tees to ensure the charity remains in a strong position to fund activities and initiatives that will enhance its services, going over and above those that the NHS can provide.

As North and South Tees NHS Foundation Trusts develop the [University Hospitals Tees](#) group, we will work closely with our colleagues at North Tees and Hartlepool Together, the NHS charity supporting North Tees. As plans develop to offer new, innovative services and care for patients from across Tees Valley and beyond, our charities will work together to deliver grants that make a meaningful impact across the region.

Our partnership work with other organisations continues to grow and we are delighted that after many years of funding the work of the Trinity Holistic Centre at James Cook University Hospital, this centre will become Maggie's Middlesbrough in 2025/26, run by the charity Maggie's. Trinity Holistic Centre has brought comfort and expert care to thousands of patients for over 20 years, and we are delighted to support Maggie's Middlesbrough to grow this legacy and bring new and innovate care for patients.

We are also looking forward to working with the charity Horatio's Garden, which has exciting plans to create a wonderful garden area for patients and families at our Regional Spinal Cord Injuries Unit.

We will continue to encourage and thank the thousands of people across South Tees who give their time and energy to raising much needed funds for the charity, which in turn allows us to support patients, families, and staff across the region.

We invite everyone to find out more about our charity at www.southtees.nhs.uk/charity, pop in to see us at our Charity Hub in James Cook University Hospital or drop us a line on 01642 854169, email OurHospitalsCharity@nhs.net



Financial Review

Assets

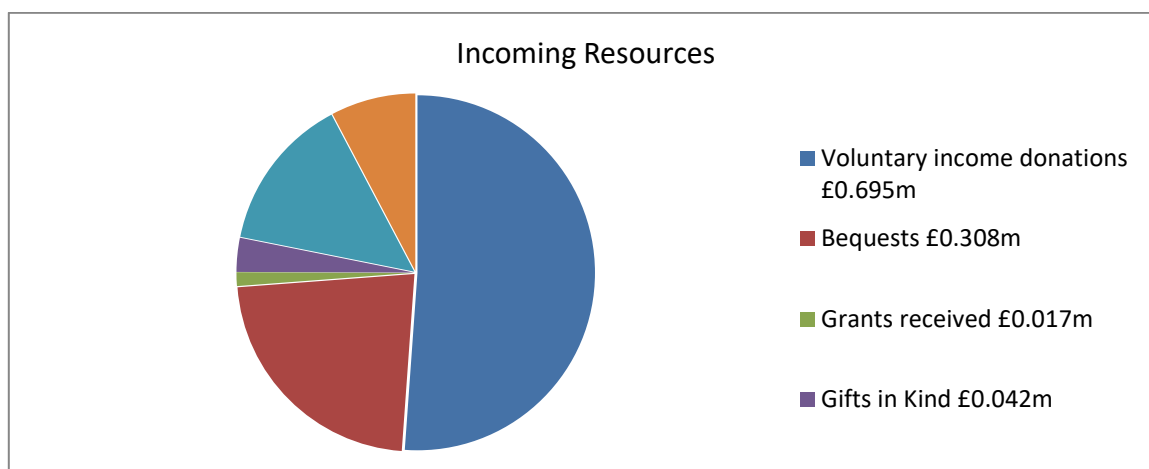
The net assets of South Tees Hospitals Charity as of 31 March 2025 were £6.369 million (£6.876 million 2023/24). There was a decrease in cash holdings to £0.881 million (£1.525 million 2023/24), an increase in debtors to £0.312 million (£0.230 million 2023/24) and a decrease in creditors to £1.016 million (£1.345 million 2023/24).

Income

The Charity relies on income received from donations, legacies, and the voluntary fundraising efforts of the general public, who supported specific appeals or made gifts to support the wards from which they or loved ones had received care. In 2024/25 income decreased from £1.899 million to £1.359 million.

The total income received amounting to £1.359 million was represented by voluntary income donations which totalled £0.695 million (£0.636 million 2023/24), bequests totalled £0.308 million (£0.830 million 2023/24), grants received totalled £0.017 million (£0.138 million 2023/24) and gifts in kind totalled £0.042 (£0.027 million 2023/24).

Investment income of £0.192 million (£0.182 million 2023/24) was received as well as income from charitable trading and other trading activities of £0.105 million (£0.086 million 2023/24).

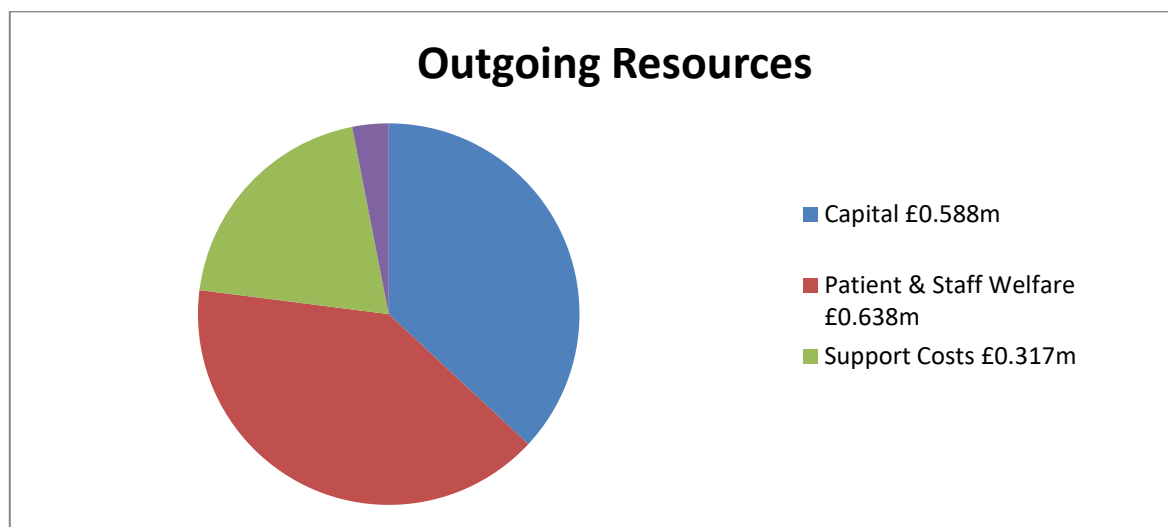


Expenditure

The Charity is a grant giving charity, rather than a service providing charity, in that it seeks to support the services provided by South Tees Hospitals NHS Foundation Trust.

All equipment and services purchased by the Charity are donated to the Trust. Expenditure from funds totalled £1.592 million, compared to expenditure of £2.441 million during the previous financial year.

Expenditure has been spent on capital £0.588 million (£1.492 million 2023/24), patient & staff welfare £0.638 million (£0.607 million 2023/24), support costs £0.317 million (£0.292 million 2023/24) and other costs £0.049 million (£0.050 million 2023/24).



Investments

The Charity's investments are held with CCLA Investment Management with an aim of maximising income and longer-term growth. Cash funds are held outside the portfolio to deal with the short-term cash flow issues. As of 31st March 2025, there has been an in year unrealised loss of £0.274 million.

The performance of the investments is monitored by the Charitable Funds Committee which reports to the Board and reviews investment portfolio valuations provided at regular intervals by the advisers. The investment policy is reviewed on an on-going basis.

	Total Funds 31 March 2025 £'000	Total Funds 31 March 2024 £'000
Market value brought forward	6,466	6,206
Disposal of investments		-326
fair Value gains/(losses)	-274	586
Market Value as at 31 March 2025	6,192	6,466

Investments held:

COIF Charities Ethical Investment Fund

6,192	6,466
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Structure, Governance and Management

The South Tees Hospitals Charity was established by Trust Deed and is registered with the Charity Commission (charity number 1056061). As a body it is a member of NHS Charities Together. All trust funds are registered with the Charity Commission under the umbrella registration of South Tees Hospitals Charity.

The Charity's funds were established using the model declaration of trust and all funds held as at the date of registration were either a part of this unrestricted fund or registered as separate restricted funds under the main charity.

The Corporate Trustee fulfils its legal duty by ensuring that restricted funds are used in accordance with the objectives of each fund, and in designating funds the Trustee respects the wishes of the donor with due consideration made to the Charity Commission's published guidance on Public Benefit as specified under the Charities Act 2011.

At the end of March 2025 there were 158 funds (no change from 2023/24). Each has a designated fund manager with specialist knowledge of the area to which the fund relates. They are generally clinical directors, managers, clinical consultants, heads of departments, ward sisters and Operations Directors who have the delegated power to commit expenditure up to £5,000. For all grants over £5,000 there is an approved Scheme of Delegation based on the Charity's governance framework.

Charitable receipts are recorded in accordance with donors' wishes to registered funds and expenditure is made in accordance with the objectives of each designated trust fund, within the limits set by the Trust's Standing Orders, Standing Financial Instructions and Scheme of Delegation.

The accounting records and day-to-day administration of the funds are dealt with by the charities finance office, which is within the Trust's Peoples department. It is the responsibility of the Corporate Trustee to ensure that the legal and accounting requirements of the Charities Act 2011 and directives from the Charity Commission are adhered to and that surplus funds are invested in a manner suitable for the maximisation of income and to safeguard the capital sums therein.

The Charitable Funds Committee advises the Corporate Trustee of South Tees Hospitals Charity in discharging its responsibilities and remains accountable to the board of directors, acting as Corporate Trustee, in every respect. In 2024/25, the Committee met on three occasions to consider a range of strategic issues within its remit.

Our purpose is to enhance the services that South Tees Hospitals NHS Foundation Trust provides, supporting the provision of general healthcare and staff welfare, the improvement of specialist clinical and clinical services and the advancement of clinical knowledge. The role of the Charity is not to fund patient care but to improve it.

Strong governance is critical to our success and reputation. The Corporate Trustee has overall responsibility for our work, to ensure we are governed in accordance with the legal and regulatory requirements, and we meet our aims and objectives as a charity.

The Corporate Trustee of the Charity is tasked with:

- Furthering our overall purpose and setting our direction and strategy.
- Ensuring our work is effective, responsible, and legal.
- Safeguarding our finances, resources and property and ensuring they are used to further our purpose.
- Being 'accountable' to those with an interest or stake in us or those who regulate us.
- Establishing clear boundaries with the staff and volunteers who carry out our work between the governance role of the Trustees and operational or day-to-day matters.
- Ensuring the Charity operates effectively.

By establishing good governance at South Tees Hospitals Charity, ensuring:

- Compliance with law and regulation.
- That our Charity is well run and efficient.
- That any problems are identified early and dealt with appropriately.
- That we make a difference, and the objects of the Charity are advanced.

Appointments to the Board are in accordance with the Trust's Constitution, Terms of Authorisation, and legal and regulatory requirements.

Members of the Corporate Trustee

The Corporate Trustee is South Tees Hospital NHS Foundation Trust.

The Charitable Funds Committee is supported by a number of professional advisers:

Bankers

Barclays Bank Plc
Leicester, LE87 2BB

External Auditor

Robson Laidler Accountants Ltd
Fernwood House
Fernwood Road
Jesmond Newcastle upon Tyne, NE2 1TJ

Investment Advisors

CCLA Investment Management
Senator House
85 Queen Victoria Street
London, EC4V 4ET

Additional expertise relating to training is drawn from being a member of NHS Charities Together that holds regular conferences and symposia for the Corporate Trustee.

Key management personnel remuneration

Members of the Corporate Trustee and Charitable Funds Committee are required to disclose relevant interests and register them with the Director of Corporate Affairs & Company Secretary withdrawing from decisions where conflicts of interest may exist.

Constitution and powers

The Corporate Trustee, under its Scheme of Delegation, has appointed the Group Chief Finance Officer to be the officer responsible for implementation of procedures, to ensure all legislation and directives are adhered to and that expenditure from trust funds is appropriate for the purpose.

The Group Chief Finance Officer maintains such accounts and records, as necessary, to record and protect all funds held in trust. He has responsibility for ensuring that the activities of each fund are within the regulations of the Charities Act 2011 and comply with the procedures adopted by the Trust.

Risk Management

The members of the Charitable Funds Committee periodically review the Charity's risk register.

The major external risk, to which the charity could be exposed, is a sudden fall in the value of the investment portfolio. However, the Directors invest over the long term to ensure that the greatest returns are achieved.

Policies and procedures to mitigate risks include:

- The Charity has systems in place to ensure that all donations and legacies are accurately recorded, and that all expenditure is correctly authorised in accordance with the objects of the Charity.
- The Charity has adopted the internal controls of the Trust.
- The Charity is audited by the Trust's internal auditors, PricewaterhouseCoopers LLP, who review and test systems, and the Trust's external auditors, Robson Laidler Accountants Ltd, who audit the Charity's Annual Accounts and Report.
- The risks around investment balances have been mitigated through the holding of a balanced portfolio.
- CCLA was appointed to manage the Charity's investments as from 13th February 2020. There are procedures in place to review the investment policy and monitor its performance.
- Short term cash holdings are held in bank accounts to enable immediate access to funds. The level of short-term cash holdings has been reviewed as part of the Charitable Funds Treasury Management Policy.

Partnership working

The patients of South Tees Hospitals NHS Foundation Trust are the main beneficiaries of the Charity, and the Trust is a related party by virtue of the Board of Directors acting as Corporate Trustee. By working in partnership with the Trust, the Corporate Trustee has regard to the main activities taking place within its hospitals to ensure that funds are spent in accordance with the objects of each fund to support the health and welfare of patients and staff.

The Trust is well supported by groups and associated charities, including the South Cleveland Heart Fund, Royal Voluntary Service, Friends of the Friarage and The James Cook University Hospital Voluntary Services Organisation who over many years have raised hundreds of thousands of pounds to fund services and activities of the Trust.

Reserves

At the end of 2024/25, the charity held reserves of £6.369 million. All monies held in funds were unrestricted apart from £1.147 million which are held on a restricted basis.

Reserves are built up to reinvest into the South Tees Hospitals NHS Foundation Trust and provide maximum benefit to the patients and staff. The classification of restricted and unrestricted reserves is reviewed on an annual basis.

The Corporate Trustee has agreed that the minimum level of reserves that should be held within the Charity is £400,000. This equates to approximately one year's operational costs and estimated annual commitments which includes salary costs.

Cash on hand balances of £0.881 million are held at the end of 2024/25.

Statement of Director's responsibilities in respect of the Corporate Trustee's annual report and the financial statements

In accordance with the trust deed and charity law, the Corporate Trustee is responsible for preparing the Charity's Annual Report and the financial statements in accordance with applicable law and regulations. The Corporate Trustee has elected to prepare the financial statements in accordance with FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*. The financial statements are required by law to give a true and fair view of the state of affairs of the charity and of the excess of expenditure over income for that period.

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

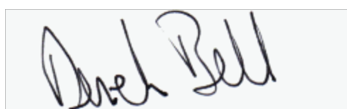
- select suitable accounting policies and then apply them consistently.
- make judgements and estimates that are reasonable and prudent.
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements.
- state whether the financial statements comply with the trust deed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Members of the Corporate Trustee is required to act in accordance with the trust deed of the charity, within the framework of trust law. They are 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 Corporate Trustee to ensure that, where any statements of accounts are prepared by them under section 132(1) of the Charities Act 2011, those statements of accounts comply with the requirements of regulations under that provision. The Members of the Corporate Trustee have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.

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

On behalf of the Corporate Trustee,

Signed:



16/1/26

.....
Group Chair



.....
Date

16/1/26

.....
Chief Finance Officer

.....
Date

7. Audit report

Independent auditor's report to the trustees of South Tees Hospitals NHS Charity

Opinion

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

In our opinion, the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

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

Responsibilities of Trustee

As explained more fully in the trustee responsibilities statement set out on page 16, the trustee is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

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

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

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

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

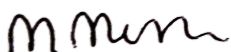
- Making enquiries of the trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing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

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

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

Use of the audit report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Signed: 

Michael T Moran BA FCA (Senior Statutory Auditor)

For and on behalf of Robson Laidler Accountants Limited

Statutory Auditor

Fernwood House

Fernwood Road

Jesmond

Newcastle Upon Tyne

NE2 1TJ

Date: 23 January 2026

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

**8. South Tees Hospitals Charity Statement of Financial Activities for the year ending
31 March 2025**

	Notes	Unrestricted funds £'000	Restricted funds £'000	Total 2025 £'000	Total 2024 £'000
<u>Income and endowments from:</u>					
Donations and legacies	4	933	129	1,062	1,631
Charitable activities	5	62	-	62	44
Other trading activities	6	0	43	43	42
Investments	8	192	-	192	182
Total income		1,187	172	1,359	1,899
<u>Expenditure on:</u>					
Raising funds	9	188	30	218	233
Charitable activities	10	1,150	224	1,374	2,208
Total expenditure		1,338	254	1,592	2,441
Net gains / (losses) on investments	15	(274)	-	(274)	586
Net income/(expenditure)		(425)	(82)	(507)	44
Transfers between funds	20	(122)	122	-	-
Net movement in funds		(547)	40	(507)	44
<u>Reconciliation of funds</u>					
Fund balances at 1 April 2024	21	5,769	1,107	6,876	6,832
Fund balances at 31 March 2025		5,222	1,147	6,369	6,876

9. South Tees Hospitals Charity Balance Sheet as at 31 March 2025

	Notes	Unrestricted £'000	Restricted £'000	2025 £'000	2024 £'000
Fixed assets					
Investments	15	5,926	266	6,192	6,466
Current assets					
Debtors and accrued income	16	312	-	312	230
Cash and cash equivalents	17	-	881	881	1,525
		312	881	1,193	1,755
Creditors: amounts falling due within 1 year	18	(1,016)	-	(1,016)	(1,345)
Net current assets		(704)	881	177	410
Net assets		5,222	1,147	6,369	6,876
Reserves					
Unrestricted funds	21	5,222	-	5,222	5,769
Restricted funds	21	-	1,147	1,147	1,107
Total reserves		5,222	1,147	6,369	6,876

The notes at pages 24 to 41 form part of these accounts and were approved by the Corporate Trustee on ...4/12/25

Signed on its behalf by:



Signed

Chris Hand

Name

16/1/26

Date

**10. South Tees Hospitals Charity Statement of Cash Flows
for the year ending 31 March 2025**

		2025	2024
		£'000	£'000
Cash flows from operating activities			
Net cash provided by (used in) operating activities	19	(836)	(285)
Cash flows from investing activities			
Proceeds from sale of investments	15	-	326
Dividends, interest and rents from investments	8	192	182
Change in cash and cash equivalents		(644)	223
Cash and cash equivalents at the beginning of the year		1,525	1,302
Cash and cash equivalents at the end of the year	17	881	1,525

11. South Tees Hospitals Charity Notes to the accounts

Note 1	Accounting policies
Note 2	Prior year comparatives by type of fund
Note 3	Related party transactions
Note 4	Income from donations and legacies
Note 5	Analysis of income from charitable activities
Note 6	Analysis of income from other trading activities
Note 7	Role of volunteers
Note 8	Gross investment income
Note 9	Analysis of expenditure on raising funds
Note 10	Analysis of charitable expenditure
Note 11	Allocation of support costs and overheads
Note 12	Directors of the Corporate Trustee remuneration, benefits and expenses
Note 13	Staff costs and key management personnel
Note 14	Auditor's remuneration
Note 15	Fixed asset investments
Note 16	Analysis of current debtors
Note 17	Analysis of cash and cash equivalents
Note 18	Analysis of liabilities
Note 19	Reconciliation of net income to net cash flow from operating activities
Note 20	Transfer between funds
Note 21	Analysis of charitable funds
Note 22	Funds over £100,000 for disclosure

1. Accounting Policies

(a) Basis of preparation

The financial statements have been prepared under the historic cost convention, with the exception of investments which are included at fair value.

The financial statements have been prepared in accordance with the statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) issued on 16 July 2014 and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2019.

The Trustee considers that there are no material uncertainties about South Tees Hospitals Charity's ability to continue as a going concern. There are no material uncertainties affecting the current year's accounts.

In future years, the key risks to the Charity would be a fall in donations or a fall in the stock market and resulting losses and reduced investment income. The trustees have a risk management strategy and reserves policy in place to mitigate against such risks.

(b) Funds structure

South Tees Hospitals Charity has both restricted and unrestricted funds but has no endowment funds. The Charity has specific funds for each service area of its hospitals; each fund has its own objectives/purpose and is classified as un-restricted designated funds. If a general donation is made and no specific area is identified then the monies will be paid into the General Purpose Fund which is used to benefit patients and staff of the trust at the Trustees' discretion. Appeals for a specific purpose are classified as restricted.

The major funds held are disclosed in note 22.

(c) Income

All income is recognised once the Charity has entitlement, or is probable that the resources will be received and the monetary value can be measured with sufficient reliability.

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

(d) Income from legacies

Legacies are accounted for as income either upon receipt or where the receipt of the legacy is probable. Receipt is probable when;

- confirmation has been received from the representatives of the estate(s) that probate has been granted

- the executors have established that there are sufficient assets in the estate to pay the legacy
- all conditions attached to the legacy have been fulfilled or are within the charity's control.

If there is uncertainty as to the amount of the legacy and it cannot be reliably estimated then the legacy is shown as a contingent asset until all of the criteria for income recognition are met.

(e) Expenditure and irrecoverable VAT

All expenditure has been accounted for on an accruals basis and has been classified under headings that aggregate all costs related to each category of expense shown in the Statement of Financial Activities. Expenditure is recognised when the following criteria are met:

- There is a present legal or constructive obligation resulting from a past event
- It is more likely than not that a transfer of benefits (usually a cash payment) will be required in settlement
- The amount of the obligation can be measured or estimated reliably.

Irrecoverable VAT is charged against the category of expenditure for which it was incurred.

The Charity reimburses the Trust for expenditure they have incurred on the Charity's behalf; this is as a result of the grants awarded by the Charity. Reimbursement is made when the liabilities have been settled and payment made. Any goods received prior to 31 March but not yet settled are accounted for as accruals in year.

(f) Recognition of expenditure and associated liabilities as a result of a grant

Grants payable are payments made to linked, related party or third party NHS bodies and non NHS bodies, in furtherance of the charitable objectives of the funds held on trust, primarily relief of those who are sick.

Grant payments are recognised as expenditure when the conditions for their payment have been met or where there is a constructive obligation to make a payment. A constructive obligation arises when:

- We have communicated our intention to award a grant to a recipient who then has a reasonable expectation that they will receive the grant
- We have made a public announcement about a commitment which is specific enough for the recipient to have a reasonable expectation that they will receive a grant
- There is an established pattern of practice which indicates to the recipient that we will honour the commitment.

The Trustee has control over the amount and timing of grant payments and consequently where approval has been given by them and any of the above criteria have been met then a liability is recognised. When grants are awarded with conditions

attached then those conditions have to be met, or expected to be met, before the liability is recognised.

Where an intention has not been communicated, then no expenditure is recognised but an appropriate designation is made in the appropriate fund. If a grant has been offered but there is uncertainty as to whether it will be accepted or whether conditions will be met then no liability is recognised but a contingent liability is disclosed.

(g) Allocation of support costs

Support costs are those which do not relate directly to a single activity. These include some staff costs, costs of administration, internal and external audit costs and IT support. Support costs have been apportioned between fundraising costs and charitable activities on an appropriate basis. The analysis of support costs and the bases of apportionment applied are shown in note 11.

(h) Fundraising costs

The costs of generating funds are those costs attributable to generating income for the Charity, other than those costs incurred in undertaking charitable activities or the costs incurred in undertaking trading activities in furtherance of a charity's objects. The costs of generating funds represent fundraising costs together with investment management fees. Fundraising costs include expenses for fundraising activities.

(i) Charitable activities

Costs of charitable activities comprise all the costs incurred in the pursuit of the charitable objectives of the Charity. These costs, where not wholly attributable, are apportioned between the categories of charitable expenditure in addition to the direct costs. The total costs of each category of charitable expenditure include an apportionment of support costs as shown in note 10.

(j) Fixed asset investments

Investments are a form of basic financial instrument. Fixed asset investments are initially recognised at their transaction value and are subsequently measured at their fair value (market value) as at the balance sheet date.

(k) Debtors

Debtors are amounts owed to the Charity. They are measured on the basis of their recoverable amount.

(l) Cash and cash equivalents

Cash at bank and in hand is held to meet the day to day running costs of the charity as they fall due. Cash equivalents are short term, highly liquid investments, usually in less than 90 day notice interest bearing savings accounts.

(m) Creditors

Creditors are amounts owed by the Charity. They are measured at the amounts that the Charity must pay to settle the debt.

Those amounts which are owed in more than one year are shown as long term creditors.

(n) Realised gains and losses

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

2. Prior year comparatives by type of fund

The primary statements provide prior year comparatives in total; this note provides prior year comparatives for the Statement of Financial Activities and Balance Sheet for each type of fund that South Tees Hospitals Charity manages.

2A Unrestricted Funds – Statement of Financial Activity for the Year ended 31 March 2025

	2025 £'000	2024 £'000
<u>Income and endowments from:</u>		
Donations and legacies	933	1,017
Charitable activities	62	44
Other trading activities	-	1
Investment income	192	182
Total income	1,187	1,244
<u>Expenditure on:</u>		
Raising funds	188	210
Charitable activities	1,150	1,367
Total expenditure	1,338	1,577
Net gains / (losses) on investments	(274)	586
Net income/(expenditure)	(425)	253
Transfers between funds	(122)	(10)
Net movement in funds	(547)	243
Reconciliation of funds		
Fund balances at 1 April 2024	5,769	5,526
Fund balances at 31 March 2025	5,222	5,769

2B Unrestricted Balance Sheet as at 31 March 2025

	2025	2025	2024	2024
	£'000	£'000	£'000	£'000
Fixed assets				
Investments		5,926		6,466
Current assets				
Debtors and accrued income	312		230	
Cash and cash equivalents	-		418	
	312		648	
Creditors: amounts falling due within 1 year	(1,016)		(1,345)	
Net current assets		(704)		(697)
Net assets		5,222		5,769
Reserves				
Unrestricted funds		5,222		5,769
Total reserves		5,222		5,769

2C Restricted Funds – Statement of Financial Activity for the Year ended 31 March 2025

	2025 £'000	2024 £'000
<u>Income and endowments from:</u>		
Donations and legacies	129	614
Charitable activities	-	-
Other trading activities	43	41
Total income	172	655
<u>Expenditure on:</u>		
Raising funds	30	23
Charitable activities	224	841
Total expenditure	254	864
Net gains / (losses) on investments	-	-
Net income/(expenditure)	(82)	(209)
Transfers between funds	122	10
Net movement in funds	40	(199)
Reconciliation of funds		
Fund balances at 1 April 2024	1,107	1,306
Fund balances at 31 March 2025	1,147	1,107

2D Restricted Balance Sheet as at 31 March 2025

	2025	2025	2024	2024
	£'000	£'000	£'000	£'000
Fixed assets				
Investments		<u>266</u>		<u>-</u>
Current assets				
Debtors and accrued income	-		-	
Cash and cash equivalents	<u>881</u>		<u>1,107</u>	
Creditors: amounts falling due within 1 year	<u>-</u>		<u>-</u>	
Net current assets		<u>881</u>		<u>1,107</u>
Net assets		<u><u>1,147</u></u>		<u><u>1,107</u></u>
Reserves				
Restricted funds		<u>1,147</u>		<u>1,107</u>
Total reserves		<u><u>1,147</u></u>		<u><u>1,107</u></u>

3. Related party transactions

South Tees Hospitals NHS Foundation Trust patients are the main beneficiary of the Charity and the trust is a related party by virtue of being Corporate Trustee of the Charity. The charity has provided funding to the Trust for approved expenditure made on behalf of the charity. During the current financial year this expenditure amounted to £0.867 million (£1.469 million 2023/24) with £0.942 million owed by the charity to the Trust at 31 March 2025 (£1.271 million 2023/24).

During the year no Group Board Members or members of the key management staff, or parties related to any of them, have undertaken any material transactions with South Tees Hospitals NHS Foundation Trust (2023/24, £nil).

The South Tees Hospitals NHS Foundation Trust makes a number of services available to the Charity; these include the use of the general ledger system, procurement system, payroll reimbursement system and office accommodation.

Board members and directors

Declarations of interests, completed on an annual basis by Executive and Non-Executive Directors, have been reviewed to identify any related party relationships requiring disclosure within this note.

There were no charity related party transactions connected with Directors of the Corporate Trustee and their associated interests.

4. Income from donations and legacies

	Unrestricted funds £'000	Restricted funds £'000	Total 2025 £'000	Total 2024 £'000
Donations	352	58	410	361
Fundraising generated by donors	146	16	162	168
Gift aid	42	1	43	32
Corporate donations	69	11	80	75
Legacies	265	43	308	830
Grants receivable	17	-	17	138
Gifts in kind	42	-	42	27
	933	129	1,062	1,631

Donations from individuals are gifts from members of the public, relatives of patients and staff. Grateful patients and family members express their gratitude for the care received; supporters often undertake fundraising activities and collect sponsorship.

5. Analysis of income from charitable activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2025 £'000	Total 2024 £'000
Payment for holistic treatment provided	22	-	22	28
Atrium stalls	40	-	40	10
Other trading income	-	-	-	6
	62	-	62	44

Trading income was primarily from the therapy treatments to patients of South Tees Hospitals provided by the Trinity Holistic Centre.

6. Analysis of income from other trading activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2025 £'000	Total 2024 £'000
Staff lottery deductions	-	43	43	41
Miscellaneous income	-	-	-	1
	<u>-</u>	<u>43</u>	<u>43</u>	<u>42</u>

7. Role of volunteers

The Charity is reliant on a team of volunteers. In accordance with the SORP, due to the absence of any reliable measurement basis, the contribution of these volunteers is not recognised in the accounts.

8. Gross investment income

	Total 2025 £'000	Total 2024 £'000
Investments listed on a Stock Exchange held in the UK	192	182
	<u>192</u>	<u>182</u>

9. Analysis of expenditure on raising funds

	Unrestricted funds £'000	Restricted funds £'000	Total 2025 £'000	Total 2024 £'000
Fundraising events	24	0	24	16
Lottery winnings paid	0	23	23	23
Support costs	164	7	171	194
	<u>188</u>	<u>30</u>	<u>218</u>	<u>233</u>

10. Analysis of charitable expenditure

The Charity did not undertake any direct charitable activities on its own account during the year.

Expenditure is incurred in favour of South Tees Hospitals NHS Foundation Trust to carry out activities which will benefit NHS patients, their families and staff. The Charity incurred expenditure with third parties in pursuance of those grants or reimbursed expenditure incurred by them or their staff.

The Charity reimburses the Trust once the expenditure is recognised, this is when liabilities have been settled and payment made with obligations committing the Charity to expenditure by fund-holders to whom power to expend Charity funds has been delegated, any goods or services received prior to 31 March 2025 but not yet settled are accounted for as accruals in year.

	Unrestricted Grant Funded Activity £'000	Unrestricted Support costs £'000	Restricted Grant Funded Activity £'000	Restricted Support costs £'000	Total 2025 £'000	Total 2024 £'000
Patient welfare	221	-	21	-	242	250
Staff salaries, education & welfare	249	146	46	-	441	338
Capital	428	-	160	-	588	1,492
Goods & equipment	62	-	(3)	-	59	83
Course running costs	-	-	-	-	-	4
Volunteer support costs	2	-	-	-	2	11
Gifts in kind	42	-	-	-	42	30
	1,004	146	224	-	1,374	2,208

11. Allocation of support costs and overheads

	Raising funds £'000	Charitable Activities £'000	Total 2025 £'000	Total 2024 £'000
External audit	12		12	9
Governance	12		12	9
Salaries and related costs	145	146	291	271
Bank charges	12	-	12	6
Rent and rates	1	-	1	3
System Changes	1	-	1	3
	<u>171</u>	<u>146</u>	<u>317</u>	<u>292</u>

12. Directors of the Corporate Trustee remuneration, benefits and expenses

The members of the governing committee give their time freely but are able to claim expenses to reimburse them for costs that they incur in fulfilling their duties.

Committee members have not received remuneration, benefits or expenses during 2024/25 or 2023/24 in relation to their support of the charity.

13. Staff costs and Key management personnel

The Charity does not directly employ any members of staff. The services used by the Charity are provided by South Tees Hospitals Trust. The cost of providing these services are recharged to the Charity by the Trust.

The charity considers its key management personnel to be the Directors of the Corporate Trustee, the Director of Charities and the Head of Charities. Staff costs in relation to key management personnel in the year totals £45,567 (2023/24: £nil).

14. Auditor's remuneration

The auditor's remuneration for the 2024/25 financial year was £11,760 (£10,500 2023/24) related solely to the audit with no additional work being undertaken.

15. Fixed asset investments

	Total 2025 £'000	Total 2024 £'000
Market value brought forward	6,466	6,206
Disposals	-	(326)
Net gain/(loss) on revaluation	(274)	586
	6,192	6,466

16. Analysis of current debtors

	Total 2025 £'000	Total 2024 £'000
Other debtors - unrestricted	1	61
Prepayments & accrued income - unrestricted	311	169
	312	230

Other debtors represent sums owed to the Charity by other non-related parties.

17. Analysis of cash and cash equivalents

	Total 2025 £'000	Total 2024 £'000
Cash in hand - unrestricted	-	418
Cash in hand - restricted	881	1,107
	881	1,525

18. Analysis of liabilities

	Total 2025 £'000	Total 2024 £'000
Other creditors - unrestricted	943	1,283
Accruals - unrestricted	73	62
	1,016	1,345

19. Reconciliation of net income to net cash flow from operating activities

	Total 2025 £'000	Total 2024 £'000
Net income (per SOFA)	(507)	44
Adjustments for:		
Net (gain)/loss on investments	274	(586)
Investment income	(192)	(182)
Decrease/(increase) in debtors	(83)	(169)
Increase/(decrease) in creditors	(328)	608
	(836)	(285)

20. Transfers between funds

There were two transfers from restricted to unrestricted funds during the financial year.

	Unrestricted £'000	Restricted £'000
Transfers	(122)	122
	(122)	122

21. Analysis of charitable funds**A – Analysis of restricted funds**

Fund	Balance at 1 Apr 2024 £'000	Income £'000	Expenditure £'000	Transfers £'000	Balance at 31 Mar 2025 £'000
Small Restricted Donations	24	-	(20)	-	4
To Benefit Mowbray Suite FHN	1	-	-	-	1
NHS Charities	75	-	(75)	-	-
Staff Lottery	128	43	(71)	-	100
Hearts and Minds Cardio Appeal	34	-	(20)	-	14
Maternity Bereavement	64	23	(15)	3	75
Rheumatology Staff + Patient	123	-	-	-	123
Oncology/Radiotherapy/Ward 14	116	10	-	-	126
Renal Unit	15	-	-	-	15
Ward 8 Urology General Jcuh	15	-	-	-	15
Orthopaedics	5	2	-	-	7
Head + Neck Research	1	2	-	-	3
H + R Palliative Care	25	9	(4)	-	30
Diabetes + Id Ward Fund	28	-	(18)	-	10
Rehab Unit	6	-	-	-	6
Maxillo Facial Surgery Fund	1	-	-	-	1
Special Care Baby Unit	203	3	-	-	206
ITU/Hdu	203	-	(25)	-	178
Robert Ogden Centre	20	-	-	-	20
Cardiology	20	-	-	-	20
Horatio'S Garden	-	10	(1)	-	9
Rutson Hospital	-	1	-	-	1
Respiratory Directorate	-	-	-	-	-
Paediatrics General Fund	-	20	(5)	-	15
Gynaecology	-	5	-	-	5
Haematology	-	5	-	-	5
Cardiothoracic R + D Fund	-	10	-	-	10
Cardiothoracic Trust Fund	-	28	-	111	139
Nutritional Dietetics	-	-	-	8	8
Ainderby & Romanby Ward	-	1	-	-	1
Restricted Funds	1,107	172	(254)	122	1,147

B – Analysis of unrestricted and material designated funds

Fund	Balance at 1 Apr 2024 £'000	Income £'000	Expenditure £'000	Transfers £'000	Balance at 31 Mar 2025 £'000
South Tees Hospital Charity and Associated Funds	5,769	1,187	(1,612)	(122)	5,222
Unrestricted Funds	<u>5,769</u>	<u>1,187</u>	<u>(1,612)</u>	<u>(122)</u>	<u>5,222</u>
Total Funds	<u>6,876</u>	<u>1,359</u>	<u>(1,866)</u>	<u>-</u>	<u>6,369</u>

£100,000 or above is set as an opening or closing balance threshold for the separate reporting of material designated funds.

Other designated funds relate to assisting patients of services provided by the South Tees Hospitals NHS Foundation Trust for which donors have indicated their non-binding wishes when making their generous gifts.

The general funds included donations where donors have not expressed any preference as to how the funds shall be spent and the unrestricted income accruing to the charity. These funds are applied for any charitable purpose to the benefit of the patients of South Tees Hospitals NHS Foundation Trust at the absolute discretion of the Corporate Trustee.

22. Funds over £100,000 for disclosure

Name	Description	2025 £'000	2024 £'000
General Fund	Any charitable purpose relating to the NHS, wholly or mainly for the services provided by South tees NHS Foundation Trust	1,364	1,391
Staff Lottery Control Account	For the benefit of staff	101	129
Brest Cancer Fund (Surgery)	Development in breast care unit	184	188
Oncology/Radiotherapy/Ward 14	For the benefit of patients and staff	133	239
Rheumatology	For the benefit of patients and staff as well as for training and education of staff and patients	231	260
Endocrinology	To generate donations to help with Diabetes, Endocrinology related education, support courses, conferences and purchase equipment for patients care	157	165
Special Care Baby Unit	For the benefit of patients and staff	418	459
Spinal Injuries	For the benefit of spinal injuries, patients and staff	91	226
Hematology	To support research and facilities for Heamatolgy service	199	211
South Tees Post Graduate Medical Centre	To fund post graduate medical education	143	150
Cardiology	For the benefit of staff and patients	89	87
Hearts and Minds Cardio Appeal	For the development of Cardiovascular Clinical research Facility	14	34
ITU/HDU	For the benefit of staff and patients in Critical Care	214	261
Paediatrics General Fund	For the benefit of staff and patients in Pediatrics	88	133
Cardiothoracic Trust Fund	For the benefit of staff and patients within the cardiothoracic division	231	161

SOUTH TEES HOSPITALS CHARITY AND ASSOCIATED FUNDS

England & Wales - Charity number 1056061

Accounts

Our **HOSPITALS CHARITY**

Supporting the NHS in
Middlesbrough, Redcar & Cleveland
and Hambleton & Richmondshire

SOUTH TEES HOSPITALS CHARITY AND ASSOCIATED FUNDS ANNUAL REPORT & ACCOUNTS

1 April 2023 - 31 March 2024

Principal office:

Charities Office
The Murray Building
South Tees Hospitals NHS Foundation Trust
James Cook University Hospital
Marton Road
Middlesbrough
TS4 3BW

Registered Charity No. 1056061

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Chair's Foreword

I am delighted to present the 2023/24 annual report and accounts for South Tees Hospitals Charity.

Working under our brand name of 'Our Hospitals Charity,' we continue our mission to make a positive impact on the lives and wellbeing of our patients and staff from across the South Tees area.



In 2023/24, we have seen our contribution to our hospitals and community spaces continue to grow. We have been able to create new and updated spaces for patients and staff, support delivery of state-of-the-art training and equipment for staff across a variety of specialisms, and create many special moments for our patients, often at the most difficult of times.

As we reflect on our 2023/24 achievements in this report, we continue to work hard to develop and grow our charity, to ensure we can support people across the South Tees region in the future. We are indebted to the people of South Tees and wider communities for their continued support of our charity. I know so many people give so much of their time, energy, and passion into raising vital funds for our work. I hope this report gives a flavour of the positive and tangible benefits we have been able to bring to our patients, staff, and visitors this year thanks to your support.

I would also like to take this opportunity to thank my fellow members of the Charitable Funds Committee, our Board of Directors (who are the Corporate Trustee of the charity), our dedicated charity staff and many volunteers for their invaluable expertise, enthusiasm, and commitment to our charity.

With very best wishes,

A handwritten signature in black ink that reads 'Derek Bell'.

Professor Derek Bell OBE

Our Aims and Objectives

South Tees Hospital Charity (under the brand name Our Hospitals Charity) raises funds to enhance the services that South Tees Hospitals NHS Foundation Trust provides to more than one million people across the region.

We are committed to supporting our hospitals and community teams and work closely with our clinical teams to fund activities, refurbishments and equipment that are over and above those which the NHS can provide.

Our Mission

Our mission is to support and fund initiatives beyond the remit and the capacity of the NHS. To achieve this, we focus on the following key objectives:

- **Delivering excellence and innovation:** Keep the hospitals of the Trust at the forefront of healthcare delivery by purchasing state of the art equipment and funding research.
- **Enhancing our spaces:** Create the best possible environments for patients and staff.
Supporting our teams: Enhance our teams' training to keep our staff at the leading edge of medical advances.
- **Growing our support:** Grow the level of charitable giving to ensure that the work can continue by supporting staff and patients in their fundraising activities.

The hospitals that we support are:

- James Cook University Hospital
- The Friarage Hospital, Northallerton
- East Cleveland Primary Care Hospital
- Redcar Primary Care Hospital
- The Friary Community Hospital, Richmond



Our Impact

Our Hospitals Charity continues to support patients, families, and staff across the South Tees Hospitals NHS Trust area. In 2023/24, we proudly funded projects and activities totalling over £2 million to improve the health and wellbeing of more than one million patients, carers visitors and staff across our sites and community services we see every year. These activities ranged from providing comforters for neonatal babies, memory boxes for palliative care patients and buying state of the art equipment for our hospitals.

Below are some highlights of the many ways the charity has made a real difference in 2023/24.

Delivering excellence and innovation

We understand that visiting hospital can often be an unexpected and stressful time for people, and we are committed to making every step of their journey as easy and accessible as possible. We have funded a computerised display screen system for our outpatient's pharmacy at James Cook University Hospital.

Display screens located on the main hospital corridor inform patients of the status of their prescriptions, including how long they are likely to take and when they will be ready to collect. The tracking system can also text patients who are not in the building to advise when their prescription is ready. This system will ensure a fast and effective service for patients and will also support our pharmacy staff, who are often one of the busiest teams in the hospital.

For our Neonatal Unit at The James Cook University Hospital, we are delighted to fund vCreate, a special app used to send video updates to parents, for those times when they are unable to be with their baby.

This system provides reassurance and minimises separation anxiety for families under the care of our Neonatal Unit. Updates from nursing staff are sent using this approved and secure software, including messages, videos and photos which can be downloaded and kept.



Patients attending our Oncology Department for Radiotherapy at the James Cook University Hospital have benefitted from the purchase of a new bladder scanner this year. Patients attending for Radiotherapy treatment to the pelvis have seen a reduction in unnecessary scans and a reduction in radiation dose thanks to this state-of-the-art addition to the service.

Enhancing our spaces

This year, we have transformed the day room on Ward 24 at The James Cook University Hospital to support patients with dementia. Inspired by local landmarks such as Saltburn and local parks, the day room is now a welcoming, dementia friendly environment, enabling patients experience a familiar and homely environment, which in turn supports their wellbeing.

We have funded an upgrade to the Dragonfly Room on Infectious Diseases Ward 3 at The James Cook University Hospital giving patients who are nearing the end of their lives and their loved ones a space to quietly reflect and spend valuable time together.

This purpose-built end-of-life room offers a calm, private area for patients and their families away from the busy ward environment. Those using the room have their own ensuite, hot drinks station, massage oils and CD player. Each patient is given a dignity gown and a last wishes book to fill in with their family.



The room now also has ceiling light panels, new doors leading to the courtyard, and creature comforts which create a home from home environment for our patients and their families.

Thanks to a very generous legacy, the Cardiology Department waiting area at Friarage Hospital in Northallerton has been fully refurbished. The area now offers patients and staff a bright and airy waiting space. We have also transformed a treatment room on the Short Stay Unit at The James Cook University Hospital. The newly refurbished room now offers a private space for families when they need it and has already greatly improved patients and relatives experience.

We know how attending a medical setting can be daunting for children and young people. This year, we funded a full refurbishment of our children's waiting area at Redcar Urgent Treatment Centre.



The space is now a bright and welcoming for children with toys and games and comfortable seating for children, their parents, and carers. In our continued commitment to supporting children and young people, we have funded resources, including distraction packs, to support children and young people attending our hospitals who may be experiencing problems with their mental health.

Our commitment to enhancing spaces is not always limited to our hospitals and clinics. In 2023/24, we supported patients across Hambleton C Richmondshire with the provision of equipment in their own homes. For example, we have provided stair lifts and recliner chairs which have enabled patients to spend time at home with their families in a supported and comfortable manner.

Supporting our teams

South Tees Hospitals NHS Foundation Trust employs approximately 9,500 staff across the region, working in a wide range of roles. We recognise the role our charity plays in supporting our teams, whether that is providing enhanced clinical training opportunities or upgrading staff rest areas.

In 2023/24, we undertook a variety of activities to support the health and wellbeing of Trust staff, including menopause champion training, a variety of counselling opportunities, and a staff choir.



Creating special moments

At Our Hospitals Charity, we understand that our patients and families are often away from family and friends at special times, and we collaborate with our colleagues all year round to make these times as special and meaningful as possible.

This year, we had the pleasure of transforming our Critical Care Garden at the James Cook University Hospital into a winter wonderland at Christmas. Patients and their loved ones enjoyed refreshments, joined in with carol singing and created precious memories together away from the usual clinical environment.

We also transformed our Friarage Hospital chapel, and Dragonfly rooms at James Cook to host three weddings during the year for our patients receiving end of life care. This enabled the bride and groom to make the most of this very precious time together and celebrate their special day.



Donations have also allowed us to create memory boxes for children, with comfort items such as handprints, a heart in their hand, and books explaining grief. Patients can also create life memory books - a therapeutic activity where they can create a book to leave a legacy of memories for their loved ones.

Growing our support: Fundraising

We are only able to offer the wide range of support and funding across South Tees Hospitals NHS Foundation Trust we do thanks to the incredible generosity and commitment of the local community. We receive a wide variety of donations from individuals, groups, and local businesses. These donations, along with various fundraising activities, are our primary source of income.

South Tees Hospitals Charity is a registered charity (Charity No 1056061) and complied with all legislation and guidance from The Charity Commission. The charity is registered with the Fundraising Regulator and all our fundraising activities comply with their Code of Fundraising Practice. We have a Customer Relationship Management (CRM) database in place to ensure we monitor and support the activities of people fundraising for us. The CRM also ensure accurate financial record keeping and that we comply with General Data Protection Regulation (GDPR) and Privacy and Electronic Communications Regulations (PECR), regulated by the Information

Commissioner's Office (ICO). The charity had no compliance issues registered with ICO in 2023/24. The charity received no fundraising complaints in the last financial year.

We have many people from across the region take part in organised events, for example the Great North Run, to raise money for the charity. Many people also organise their own fundraising activities. We work closely with our volunteer fundraisers and supporters to ensure they are aware and compliant with any relevant legislation or guidelines around their fundraising.

The charity runs an internal lottery for staff of South Tees Hospitals NHS Foundation Trust and as such has a small lottery licence which is registered with Middlesbrough Borough Council and reviewed/renewed on an annual basis. During 2023/24 we did not work with any professional fundraisers or commercial participators to recruit new supporters, for example door to door fundraisers.



We are a member of NHS Charities Together and work closely with other NHS charities to benchmark our work, share best practice, and work together to offer support and education for our teams.

We are committed to supporting everyone who fundraises for the charity and understand that some people may be classed as vulnerable due to their personal circumstances or the circumstances of their loved ones. We ensure all our staff are trained and able to recognise someone who may be vulnerable and work closely with our hospital teams (and other relevant parties) to ensure the individual gets the most appropriate support.

We remain committed to growing and nurturing the support we receive from so many people who fundraise for the charity, often for very personal reasons. We are incredibly grateful for all the support we continue to receive from so many people across South Tees.

Looking forward

We will continue to work closely with our colleagues at South Tees Hospitals NHS Foundation Trust and University Hospitals Tees to ensure the charity remains in a strong position to fund activities and initiatives that will enhance its services, going over and above those that the NHS can provide.

We are keen to develop innovative and effective partnerships and as such will also look forward to working in collaboration with our membership body, NHS Charities Together, to enhance our fundraising activities in the coming years.

We will continue to encourage, support, and thank the thousands of people across South Tees who give their time and energy to raising much needed funds for the charity, which in turn allows us to support patients, families, and staff across the region.

We invite everyone to find out more about our charity at www.southtees.nhs.uk/charity, pop in to see us at our Charity Hub in James Cook University Hospital or drop us a line on 01642 854169 or email OurHospitalsCharity@nhs.net



Financial Review

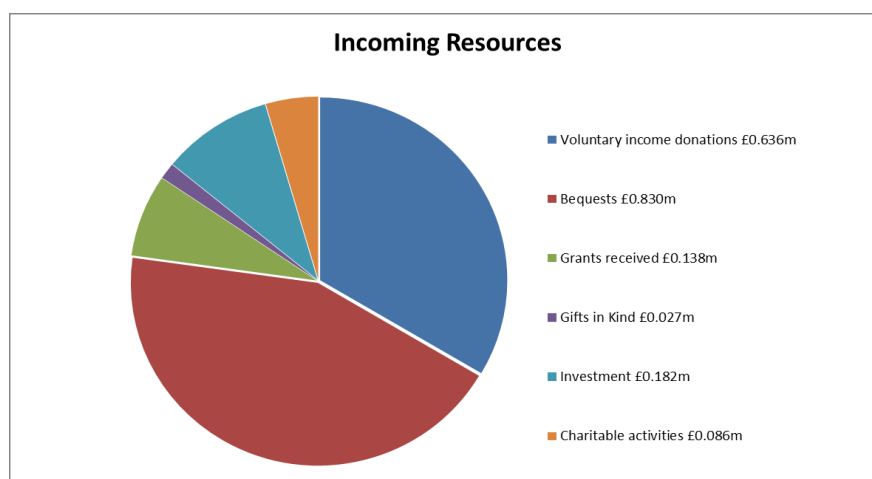
Assets

The net assets of South Tees Hospitals Charity as at 31 March 2024 were £6.876 million (£6.832 million 2022/23). There was an increase in cash holdings to £1.525 million (£1.302 million 2022/23), an increase in debtors to £0.230 million (£0.061 million 2022/23) and an increase in creditors to £1.345 million (£0.737 million 2022/23).

Income

The Charity relies on income received from donations, legacies, and the voluntary fundraising efforts of the general public, who supported specific appeals or made gifts to support the wards from which they or loved ones had received care. In 2023/24 decreased from £1.913 million to £1.899 million.

The total income received amounting to £1.899 million was represented by voluntary income donations which totalled £0.636 million (£0.637 million 2022/23), bequests totalled £0.830 million (£0.622 million 2022/23), grants received totalled £0.138 million (£0.369 million 2022/23) and gifts in kind totalled £0.027 (£0.031 million 2022/23). Investment income of £0.182 million (£0.182 million 2022/23) was received as well as income from charitable trading and activities of £0.086 million (£0.072 million 2022/23).

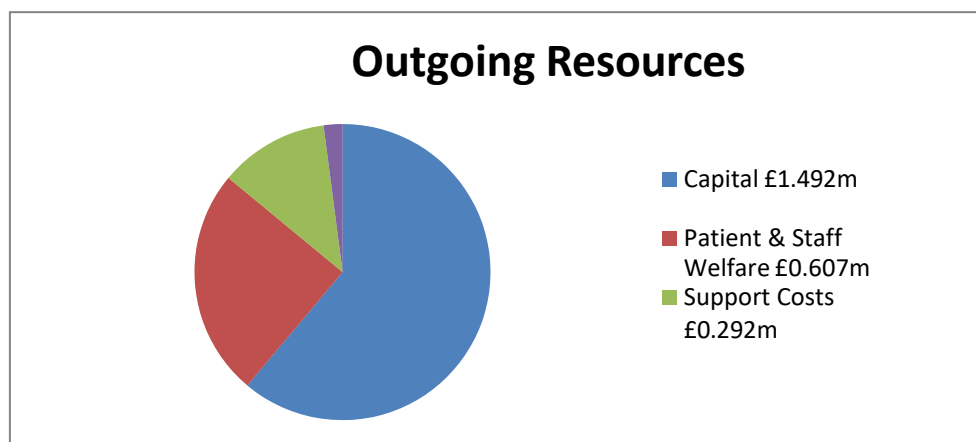


Expenditure

The Charity is a grant giving charity, rather than a service providing charity, in that it seeks to support the services provided by South Tees Hospitals NHS Foundation Trust.

All equipment and services purchased by the Charity are donated to the Trust. Expenditure from funds totalled £2.441 million, compared to expenditure of £1.251 million during the previous financial year.

Expenditure has been spent on capital £1.492 million (£0.236 million 2022/23), patient & staff welfare £0.607 million (£0.623 million 2022/23), support costs £0.292 million (£0.270 million 2022/23) and other costs £0.050 million (£0.122 million 2022/23).



Investments

The Charity's investments are held with CCLA Investment Management with an aim of maximising income and longer-term growth. Cash funds are held outside the portfolio to deal with the short-term cash flow issues. As of 31st March 2024, there has been an in year unrealised gain of £0.586 million.

The performance of the investments is monitored by the Charitable Funds Committee which reports to the Board and reviews investment portfolio valuations provided at regular intervals by the advisers. The investment policy is reviewed on an on-going basis.

	Total Funds 31 March 2024 £'000	Total Funds 31 March 2023 £'000
Market value brought forward	6206	6512
Disposal of investments	(326)	
Fair value gains/(losses)	586	-306
Market value as at 31 March 2024	6466	6206
Investments held:		
Alternative assets	0	326
COIF Charities Ethical Investment Fund	6466	5880
	6466	6206

Structure, Governance and Management

The South Tees Hospitals Charity was established by Trust Deed and is registered with the Charity Commission (charity number 1056061). As a body it is a member of NHS Charities Together.

All trust funds are registered with the Charity Commission under the umbrella registration of South Tees Hospitals Charity.

The Charity's funds were established using the model declaration of trust and all funds held as at the date of registration were either a part of this unrestricted fund or registered as separate restricted funds under the main charity.

The Corporate Trustee fulfils its legal duty by ensuring that restricted funds are used in accordance with the objectives of each fund, and in designating funds the Trustee respects the wishes of the donor with due consideration made to the Charity Commission's published guidance on Public Benefit as specified under the Charities Act 2011.

At the end of March 2024 there were 158 funds (264 in 2022/23). Each has a designated fund manager with specialist knowledge of the area to which the fund relates. They are generally clinical directors, managers, clinical consultants, heads of departments, ward sisters and Operations Directors who have the delegated power to commit expenditure up to £25,000. For all grants over £25,000 there is an approved Scheme of Delegation based on the Charity's governance framework.

Charitable receipts are recorded in accordance with donors' wishes to registered funds and expenditure is made in accordance with the objectives of each designated trust fund, within the limits set by the Trust's Standing Orders, Standing Financial Instructions and Scheme of Delegation.

The accounting records and day-to-day administration of the funds are dealt with by the charities finance office, which is within the Trust's Chief Executive's department.

It is the responsibility of the Corporate Trustee to ensure that the legal and accounting requirements of the Charities Act 2011 and directives from the Charity Commission are adhered to and that surplus funds are invested in a manner suitable for the maximisation of income and to safeguard the capital sums therein.

The Charitable Funds Committee supports and advises the Corporate Trustee of South Tees Hospitals Charity in discharging its responsibilities and remains accountable to the board of directors, acting as Corporate Trustee, in every respect. In 2023/24, the Committee met on three occasions to consider a range of strategic issues within its remit.

Our purpose is to enhance the services that South Tees Hospitals NHS Foundation Trust provides, supporting the provision of general healthcare and staff welfare, the improvement of specialist clinical and clinical support services and the advancement of clinical knowledge. The role of the Charity is not to fund patient care but to improve it.

Strong governance is critical to our success and reputation. The Corporate Trustee has overall responsibility for our work, to ensure we are governed in accordance with the legal and regulatory requirements, and we meet our aims and objectives as a charity.

The Corporate Trustee of the Charity is tasked with:

- Furthering our overall purpose and setting our direction and strategy.
- Ensuring our work is effective, responsible, and legal.
- Safeguarding our finances, resources and property and ensuring they are used to further our purpose.
- Being 'accountable' to those with an interest or stake in us or those who regulate us.
- Establishing clear boundaries with the staff and volunteers who carry out our work between the governance role of the Trustees and operational or day-to-day matters.
- Ensuring the Charity operates effectively.

By establishing good governance at South Tees Hospitals Charity, ensuring:

- Compliance with law and regulation.
- That our Charity is well run and efficient.
- That any problems are identified early and dealt with appropriately.
- That we make a difference and the objects of the Charity are advanced.

Appointments to the Board are in accordance with the Trust's Constitution, Terms of Authorisation, and legal and regulatory requirements.

Members of the Corporate Trustee

The Corporate Trustee is South Tees Hospital NHS Foundation Trust

The Charitable Funds Committee is supported by a number of professional advisers:

Bankers

Barclays Bank Plc
Leicester
LE87 2BB

External Auditor

Robson Laidler Accountants Ltd
Fernwood House
Fernwood Road
Jesmond Newcastle upon Tyne
NE2 1TJ

Investment Advisors

CCLA Investment Management
Senator House
85 Queen Victoria Street
London, EC4V 4ET

Additional expertise relating to training is drawn from being a member of NHS Charities Together that holds regular conferences and symposia for the Corporate Trustee.

Key management personnel remuneration

Members of the Corporate Trustee and Charitable Funds Committee are required to disclose relevant interests and register them with the Company Secretary, withdrawing from decisions where conflicts of interest may exist.

Constitution and powers

The Corporate Trustee, under its Scheme of Delegation, has appointed the Chief Finance Officer to be the officer responsible for implementation of procedures, to ensure all legislation and directives are adhered to and that expenditure from trust funds is appropriate for the purpose.

The Chief Finance Officer maintains such accounts and records, as necessary, to record and protect all funds held in trust. He has responsibility for ensuring that the activities of each fund are within the regulations of the Charities Act 2011 and comply with the procedures adopted by the Trust.

Risk Management

The members of the Charitable Funds Committee periodically review the Charity's risk register.

The major external risk, to which the charity could be exposed, is a sudden fall in the value of the investment portfolio. However, the Directors invest over the long term to ensure that the greatest returns are achieved.

Policies and procedures to mitigate risks include:

- The Charity has systems in place to ensure that all donations and legacies are accurately recorded, and that all expenditure is correctly authorised in accordance with the objects of the Charity.
- The Charity has adopted the internal controls of the Trust.
- The Charity is audited by the Trust's internal auditors, PricewaterhouseCoopers LLP, who review and test systems, and the Trust's external auditors, Robson Laidler Accountants Ltd, who audit the Charity's Annual Accounts and Report.
- The risks around investment balances have been mitigated through the holding of a balanced portfolio.
- CCLA was appointed to manage the Charity's investments as from 13th February 2020. There are procedures in place to review the investment policy and monitor its performance.
- Short term cash holdings are held in bank accounts to enable immediate access to funds. The level of short-term cash holdings has been reviewed as part of the Charitable Funds Treasury Management Policy.

Partnership working

The patients of South Tees Hospitals NHS Foundation Trust are the main beneficiaries of the Charity, and the Trust is a related party by virtue of the Board of Directors acting as Corporate Trustee. By working in partnership with the Trust, the Corporate Trustee has regard to the main activities taking place within its hospitals to ensure that funds are spent in accordance with the objects of each fund to support the health and welfare of patients and staff.

The Trust is well supported by groups and associated charities, including the South Cleveland Heart Fund, Royal Voluntary Service, Friends of the Friarage and The James Cook University Hospital Voluntary Services Organisation who over many years have raised hundreds of thousands of pounds to support the Trust.

Reserves

At the end of 2023/24, the charity held reserves of £6.876 million. All monies held in funds were unrestricted apart from £1.107 million which are held on a restricted basis.

Reserves are built up to reinvest into the South Tees Hospitals NHS Foundation Trust and provide maximum benefit to the patients and staff. The classification of restricted and unrestricted reserves is reviewed on an annual basis.

The Corporate Trustee has agreed that the minimum level of reserves that should be held within the Charity is £400,000. This equates to approximately one year's operational costs and estimated annual commitments which includes salary costs.

Cash on hand balances of £1.525 million are held at the end of 2023/24.

Statement of Director's responsibilities in respect of the Corporate Trustee's annual report and the financial statements

In accordance with the trust deed and charity law, the Corporate Trustee is responsible for preparing the Charity's Annual Report and the financial statements in accordance with applicable law and regulations. The Corporate Trustee has elected to prepare the financial statements in accordance with FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*. The financial statements are required by law to give a true and fair view of the state of affairs of the charity and of the excess of expenditure over income for that period.

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

- select suitable accounting policies and then apply them consistently.
- make judgements and estimates that are reasonable and prudent.
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements.
- state whether the financial statements comply with the trust deed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Members of the Corporate Trustee is required to act in accordance with the trust deed of the charity, within the framework of trust law. They are 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 Corporate Trustee to ensure that, where any statements of accounts are prepared by them under section 132(1) of the Charities Act 2011, those statements of accounts comply with the requirements of regulations under that provision. The Members of the Corporate Trustee have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.

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

On behalf of the Corporate Trustee,

Signed:



Chairman

Date: 3rd December 2024



Chief Finance Officer

Date: 3rd December 2024

7. Audit report

Independent auditor's report to the trustees of South Tees Hospitals NHS Charity

Opinion

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

In our opinion, the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

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

Responsibilities of Trustee

As explained more fully in the trustee responsibilities statement set out on page 23, the trustee is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

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

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

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

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

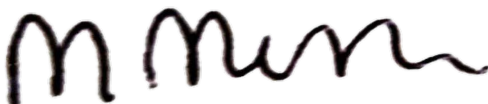
- Making enquiries of the trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing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

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

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

Use of the audit report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Signed: 

Michael T Moran BA FCA (Senior Statutory Auditor)

For and on behalf of Robson Laidler Accountants Limited

Statutory Auditor

Fernwood House

Fernwood Road

Jesmond

Newcastle Upon Tyne

NE2 1TJ

Date: 17 December 2024

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

8. South Tees Hospitals Charity Statement of Financial Activities for the year ending 31 March 2024

	Notes	Unrestricted funds £'000	Restricted funds £'000	Total 2024 £'000	Total 2023 £'000
<u>Income and endowments from:</u>					
Donations and legacies	4	1,017	614	1,631	1,659
Charitable activities	5	44	-	44	29
Other trading activities	6	1	41	42	43
Investments	8	182	-	182	182
Total income		1,244	655	1,899	1,913
<u>Expenditure on:</u>					
Raising funds	9	210	23	233	258
Charitable activities	10	1,367	841	2,208	993
Total expenditure		1,577	864	2,441	1,251
Net gains / (losses) on investments	15	586	-	586	(306)
Net income/(expenditure)		253	(209)	44	356
Transfers between funds	20	(10)	10	-	-
Net movement in funds		243	199	44	356
<u>Reconciliation of funds</u>					
Fund balances at 1 April 2023	21	5,526	1,306	6,832	6,476
Fund balances at 31 March 2024		5,769	1,107	6,876	6,832

9. South Tees Hospitals Charity Balance Sheet as at 31 March 2024

	Notes	Unrestricted £'000	Restricted £'000	2024 £'000	2023 £'000
Fixed assets					
Investments	15	6,466	-	6,466	6,206
Current assets					
Debtors and accrued income	16	230	-	230	61
Cash and cash equivalents	17	418	1,107	1,525	1,302
		648	1,107	1,755	1,363
Creditors: amounts falling due within 1 year	18	(1,345)	-	(1,345)	(737)
Net current assets		(697)	1,107	410	626
Net assets		5,769	1,107	6,876	6,832
Reserves					
Unrestricted funds	21	5,769	-	5,769	5,526
Restricted funds	21	-	1,107	1,107	1,306
Total reserves		5,769	1,107	6,876	6,832

The notes at pages 24 to 41 form part of these accounts and were approved by the Corporate Trustee on 3rd December 2024

Signed on its behalf by:

Signed 

Name Mr Chris Hand

Date 3rd December 2024

**10. South Tees Hospitals Charity Statement of Cash Flows
for the year ending 31 March 2024**

		2024	2023
		£'000	£'000
Cash flows from operating activities			
Net cash provided by (used in) operating activities	19	(285)	87
Cash flows from investing activities			
Proceeds from sale of investments	15	326	-
Dividends, interest and rents from investments	8	182	182
Change in cash and cash equivalents		223	269
Cash and cash equivalents at the beginning of the year		1,302	1,033
Cash and cash equivalents at the end of the year	17	1,525	1,302

11. South Tees Hospitals Charity Notes to the accounts

Note 1	Accounting policies
Note 2	Prior year comparatives by type of fund
Note 3	Related party transactions
Note 4	Income from donations and legacies
Note 5	Analysis of income from charitable activities
Note 6	Analysis of income from other trading activities
Note 7	Role of volunteers
Note 8	Gross investment income
Note 9	Analysis of expenditure on raising funds
Note 10	Analysis of charitable expenditure
Note 11	Allocation of support costs and overheads
Note 12	Directors of the Corporate Trustee remuneration, benefits and expenses
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Note 14	Auditor's remuneration
Note 15	Fixed asset investments
Note 16	Analysis of current debtors
Note 17	Analysis of cash and cash equivalents
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Note 19	Reconciliation of net income to net cash flow from operating activities
Note 20	Transfer between funds
Note 21	Analysis of charitable funds
Note 22	Funds over £100,000 for disclosure

1. Accounting Policies

(a) Basis of preparation

The financial statements have been prepared under the historic cost convention, with the exception of investments which are included at fair value.

The financial statements have been prepared in accordance with the statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) issued on 16 July 2014 and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2019.

The Trustee considers that there are no material uncertainties about South Tees Hospitals Charity's ability to continue as a going concern. There are no material uncertainties affecting the current year's accounts.

In future years, the key risks to the Charity would be a fall in donations or a fall in the stock market and resulting losses and reduced investment income. The trustees have a risk management strategy and reserves policy in place to mitigate against such risks.

(b) Funds structure

South Tees Hospitals Charity has both restricted and unrestricted funds but has no endowment funds. The Charity has specific funds for each service area of its hospitals; each fund has its own objectives/purpose and is classified as un-restricted designated funds. If a general donation is made and no specific area is identified then the monies will be paid into the General Purpose Fund which is used to benefit patients and staff of the trust at the Trustees' discretion. Appeals for a specific purpose are classified as restricted.

The major funds held are disclosed in note 22.

(c) Income

All income is recognised once the Charity has entitlement, or is probable that the resources will be received and the monetary value can be measured with sufficient reliability.

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

(d) Income from legacies

Legacies are accounted for as income either upon receipt or where the receipt of the legacy is probable. Receipt is probable when;

- confirmation has been received from the representatives of the estate(s) that probate has been granted

- the executors have established that there are sufficient assets in the estate to pay the legacy
- all conditions attached to the legacy have been fulfilled or are within the charity's control.

If there is uncertainty as to the amount of the legacy and it cannot be reliably estimated then the legacy is shown as a contingent asset until all of the criteria for income recognition are met.

(e) Expenditure and irrecoverable VAT

All expenditure has been accounted for on an accruals basis and has been classified under headings that aggregate all costs related to each category of expense shown in the Statement of Financial Activities. Expenditure is recognised when the following criteria are met:

- There is a present legal or constructive obligation resulting from a past event
- It is more likely than not that a transfer of benefits (usually a cash payment) will be required in settlement
- The amount of the obligation can be measured or estimated reliably.

Irrecoverable VAT is charged against the category of expenditure for which it was incurred.

The Charity reimburses the Trust for expenditure they have incurred on the Charity's behalf; this is as a result of the grants awarded by the Charity. Reimbursement is made when the liabilities have been settled and payment made. Any goods received prior to 31 March but not yet settled are accounted for as accruals in year.

(f) Recognition of expenditure and associated liabilities as a result of a grant

Grants payable are payments made to linked, related party or third party NHS bodies and non NHS bodies, in furtherance of the charitable objectives of the funds held on trust, primarily relief of those who are sick.

Grant payments are recognised as expenditure when the conditions for their payment have been met or where there is a constructive obligation to make a payment. A constructive obligation arises when:

- We have communicated our intention to award a grant to a recipient who then has a reasonable expectation that they will receive the grant
- We have made a public announcement about a commitment which is specific enough for the recipient to have a reasonable expectation that they will receive a grant
- There is an established pattern of practice which indicates to the recipient that we will honour the commitment.

The Trustee has control over the amount and timing of grant payments and consequently where approval has been given by them and any of the above criteria have been met then a liability is recognised. When grants are awarded with conditions

attached then those conditions have to be met, or expected to be met, before the liability is recognised.

Where an intention has not been communicated, then no expenditure is recognised but an appropriate designation is made in the appropriate fund. If a grant has been offered but there is uncertainty as to whether it will be accepted or whether conditions will be met then no liability is recognised but a contingent liability is disclosed.

(g) Allocation of support costs

Support costs are those which do not relate directly to a single activity. These include some staff costs, costs of administration, internal and external audit costs and IT support. Support costs have been apportioned between fundraising costs and charitable activities on an appropriate basis. The analysis of support costs and the bases of apportionment applied are shown in note 11.

(h) Fundraising costs

The costs of generating funds are those costs attributable to generating income for the Charity, other than those costs incurred in undertaking charitable activities or the costs incurred in undertaking trading activities in furtherance of a charity's objects. The costs of generating funds represent fundraising costs together with investment management fees. Fundraising costs include expenses for fundraising activities.

(i) Charitable activities

Costs of charitable activities comprise all the costs incurred in the pursuit of the charitable objectives of the Charity. These costs, where not wholly attributable, are apportioned between the categories of charitable expenditure in addition to the direct costs. The total costs of each category of charitable expenditure include an apportionment of support costs as shown in note 10.

(j) Fixed asset investments

Investments are a form of basic financial instrument. Fixed asset investments are initially recognised at their transaction value and are subsequently measured at their fair value (market value) as at the balance sheet date.

(k) Debtors

Debtors are amounts owed to the Charity. They are measured on the basis of their recoverable amount.

(l) Cash and cash equivalents

Cash at bank and in hand is held to meet the day to day running costs of the charity as they fall due. Cash equivalents are short term, highly liquid investments, usually in less than 90 day notice interest bearing savings accounts.

(m) Creditors

Creditors are amounts owed by the Charity. They are measured at the amounts that the Charity must pay to settle the debt.

Those amounts which are owed in more than one year are shown as long term creditors.

(n) Realised gains and losses

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

2. Prior year comparatives by type of fund

The primary statements provide prior year comparatives in total; this note provides prior year comparatives for the Statement of Financial Activities and Balance Sheet for each type of fund that South Tees Hospitals Charity manages.

2A Unrestricted Funds – Statement of Financial Activity for the Year ended 31 March 2024

	2024 £'000	2023 £'000
<u>Income and endowments from:</u>		
Donations and legacies	1,017	569
Charitable activities	44	25
Other trading activities	1	-
Investment income	182	182
Total income	1,244	776
<u>Expenditure on:</u>		
Raising funds	210	159
Charitable activities	1,367	807
Total expenditure	1,577	966
Net gains / (losses) on investments	586	(306)
Net income/(expenditure)	253	(496)
Transfers between funds	(10)	(165)
Net movement in funds	243	(661)
Reconciliation of funds		
Fund balances at 1 April 2023	5,526	6,187
Fund balances at 31 March 2024	5,769	5,526

2B Unrestricted Balance Sheet as at 31 March 2024

	2024 £'000	2024 £'000	2023 £'000	2023 £'000
Fixed assets				
Investments		6,466		6,206
Current assets				
Debtors and accrued income	230		61	
Cash and cash equivalents	418		(4)	
	648		57	
Creditors: amounts falling due within 1 year	(1,345)		(737)	
Net current assets		(697)		(680)
Net assets		5,769		5,526
Reserves				
Unrestricted funds		5,769		5,526
Total reserves		5,769		5,526

2C Restricted Funds – Statement of Financial Activity for the Year ended 31 March 2024

	2024	2023
	£'000	£'000
<u>Income and endowments from:</u>		
Donations and legacies	614	1,090
Charitable activities	-	4
Other trading activities	41	43
Investment income	-	-
Total income	655	1,137
<u>Expenditure on:</u>		
Raising funds	23	99
Charitable activities	841	186
Total expenditure	864	285
Net gains / (losses) on investments	-	-
Net income/(expenditure)	(209)	852
Transfers between funds	10	165
Net movement in funds	(199)	1,017
Reconciliation of funds		
Fund balances at 1 April 2023	1,306	289
Fund balances at 31 March 2024	1,107	1,306

2D Restricted Balance Sheet as at 31 March 2024

	2024 £'000	2024 £'000	2023 £'000	2023 £'000
Fixed assets				
Investments		-		-
Current assets				
Debtors and accrued income	-		-	
Cash and cash equivalents	1,107		1,306	
			1,306	
Creditors: amounts falling due within 1 year	-		-	
Net current assets		1,107		1,306
Net assets		1,107		1,306
Reserves				
Restricted funds		1,107		1,306
Total reserves		1,107		1,306

3. Related party transactions

South Tees Hospitals NHS Foundation Trust patients are the main beneficiary of the Charity and the trust is a related party by virtue of being Corporate Trustee of the Charity. The charity has provided funding to the Trust for approved expenditure made on behalf of the charity. During the current financial year this expenditure amounted to £1,469 million (£1,251 million 2022/23) with £0.679 million owed by the charity to the Trust at 31 March 2024 (£1.094 million 2022/23).

During the year, no members of the Charitable Funds Committee, the key management staff or parties related to them has undertaken any material transaction within the South Tees Hospitals Charity and Associated Funds.

The South Tees Hospitals NHS Foundation Trust makes a number of services available to the Charity; these include the use of the general ledger system, procurement system, payroll reimbursement system and office accommodation.

Board members and directors

Declarations of interests, completed on an annual basis by Executive and Non-Executive Directors, have been reviewed to identify any related party relationships requiring disclosure within this note.

There were no charity related party transactions connected with Directors of the Corporate Trustee and their associated interests.

4. Income from donations and legacies

	Unrestricted funds £'000	Restricted funds £'000	Total 2024 £'000	Total 2023 £'000
Donations	323	38	361	414
Fundraising generated by donors	146	22	168	136
Gift aid	30	2	32	42
Corporate donations	65	10	75	45
Legacies	349	482	830	622
Grants receivable	77	60	138	369
Gifts in kind	27	-	27	31
	<u>1,017</u>	<u>614</u>	<u>1,631</u>	<u>1,659</u>

Donations from individuals are gifts from members of the public, relatives of patients and staff. Grateful patients and family members express their gratitude for the care received; supporters often undertake fundraising activities and collect sponsorship.

5. Analysis of income from charitable activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2024 £'000	Total 2023 £'000
Payment for holistic treatment provided	28	-	28	23
Atrium stalls	10	-	10	-
Other trading income	6	-	6	6
	<u>44</u>	<u>-</u>	<u>44</u>	<u>29</u>

Trading income was primarily from the therapy treatments to patients of South Tees Hospitals provided by the Trinity Holistic Centre.

6. Analysis of income from other trading activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2024 £'000	Total 2023 £'000
Staff lottery deductions	-	41	41	43
Miscellaneous income	1	-	1	-
	<u>1</u>	<u>41</u>	<u>42</u>	<u>43</u>

7. Role of volunteers

The Charity is reliant on a team of volunteers. In accordance with the SORP, due to the absence of any reliable measurement basis, the contribution of these volunteers is not recognised in the accounts.

8. Gross investment income

	Total 2024 £'000	Total 2023 £'000
Investments listed on a Stock Exchange held in the UK	<u>182</u>	<u>182</u>
	<u>182</u>	<u>182</u>

9. Analysis of expenditure on raising funds

	Unrestricted funds £'000	Restricted funds £'000	Total 2024 £'000	Total 2023 £'000
Fundraising events	16	-	16	85
Lottery winnings paid	-	23	23	22
Support costs	194	-	194	151
	<u>210</u>	<u>23</u>	<u>233</u>	<u>258</u>

10. Analysis of charitable expenditure

The Charity did not undertake any direct charitable activities on its own account during the year.

Expenditure is incurred in favour of South Tees Hospitals NHS Foundation Trust to carry out activities which will benefit NHS patients, their families and staff. The Charity incurred expenditure with third parties in pursuance of those grants or reimbursed expenditure incurred by them or their staff.

The Charity reimburses the Trust once the expenditure is recognised, this is when liabilities have been settled and payment made with obligations committing the Charity to expenditure by fund-holders to whom power to expend Charity funds has been delegated, any goods or services received prior to 31 March 2024 but not yet settled are accounted for as accruals in year.

	Unrestricted Grant Funded Activity £'000	Unrestricted Support costs £'000	Restricted Grant Funded Activity £'000	Restricted Support costs £'000	Total 2024 £'000	Total 2023 £'000
Patient welfare	225	17	8	-	250	219
Staff salaries, education & welfare	235	21	82	-	338	415
Capital	695	52	745	-	1,492	236
Goods & equipment	72	5	6	-	83	75
Course running costs	4	-	-	-	4	2
Volunteer support costs	10	1	-	-	11	15
Gifts in kind	28	2	-	-	30	31
	1,269	98	841	-	2,208	993

11. Allocation of support costs and overheads

	Raising funds £'000	Charitable Activities £'000	Total 2024 £'000	Total 2023 £'000
External audit	9	-	9	11
Governance	9	-	9	11
Salaries and related costs	173	98	271	250
Bank charges	6	-	6	6
Rent and rates	3	-	3	-
System Changes	3	-	3	3
Miscellaneous	-	-	-	-
	194	98	292	270

12. Directors of the Corporate Trustee remuneration, benefits and expenses

The members of the governing committee give their time freely but are able to claim expenses to reimburse them for costs that they incur in fulfilling their duties.

Committee members have not received remuneration, benefits or expenses during 2023/24 or 2022/23 in relation to their support of the charity.

13. Staff costs and Key management personnel

The Charity does not directly employ any members of staff. The services used by the Charity are provided by South Tees Hospitals Trust. The cost of providing these services are recharged to the Charity by the Trust.

The charity considers its key management personnel to be the Directors of the Corporate Trustee and the Director of Charities.

14. Auditor's remuneration

The auditor's remuneration for the 2023/24 financial year was £10,500 (£10,200 2022/23) related solely to the audit with no additional work being undertaken.

15. Fixed asset investments

	Total 2024 £'000	Total 2023 £'000
Market value brought forward	6,206	6,512
Disposals	(326)	-
Net gain/(loss) on revaluation	586	(306)
	6,466	6,206

16. Analysis of current debtors

	Total 2024 £'000	Total 2023 £'000
Other debtors - unrestricted	61	1
Prepayments & accrued income - unrestricted	169	60
	230	61

Other debtors represent sums owed to the Charity by other non-related parties.

17. Analysis of cash and cash equivalents

	Total 2024 £'000	Total 2023 £'000
Cash in hand - unrestricted	418	(4)
Cash in hand - restricted	1,107	1,306
	1,525	1,302

18. Analysis of liabilities

	Total 2024 £'000	Total 2023 £'000
Other creditors - unrestricted	1,283	684
Accruals - unrestricted	62	53
	1,345	737

19. Reconciliation of net income to net cash flow from operating activities

	Total 2024 £'000	Total 2023 £'000
Net income (per SOFA)	44	356
Adjustments for:		
Net (gain)/loss on investments	(586)	306
Investment income	(182)	(182)
Decrease/(increase) in debtors	(169)	91
Increase/(decrease) in creditors	608	(485)
	(285)	87

20. Transfers between funds

There were two transfers from restricted to unrestricted funds during the financial year.

	Unrestricted £'000	Restricted £'000
Transfers	(10)	10
	(10)	10

21. Analysis of charitable funds**A – Analysis of restricted funds**

Fund	Balance at 1 Apr 2023 £'000	Income £'000	Expenditure £'000	Transfers £'000	Balance at 31 Mar 2024 £'000
Small Restricted Donations	24	-	-	-	24
To Benefit Mowbray Suite FHN	41	-	(40)	-	1
NHS Charities	76	-	-	(1)	75
Staff Lottery	121	41	(34)	-	128
Hearts and Minds Cardio Appeal	753	60	(780)	1	34
Maternity Bereavement	47	28	(11)	-	64
Rheumatology Staff & Patient	123	-	-	-	123
Oncology/Radiotherapy/Ward 14	85	31	-	-	116
Renal Unit	15	-	-	-	15
Ward 8 Urology General Jcuh	15	-	-	-	15
Orthopedics	5	-	-	-	5
Head & Neck Research	1	-	-	-	1
H & R Palliative Care	-	5	-	-	5
Diabetes & Id Ward Fund	-	24	-	4	28
Rehab Unit	-	-	-	6	6
Maxillo Facial Surgery Fund	-	1	-	-	1
Special Care Baby Unit	-	203	-	-	203
ITU/Hdu	-	203	-	-	203
Robert Ogden Centre	-	20	-	-	20
H + R Palliative Care	-	20	-	-	20
Cardiology	-	20	-	-	20
Restricted Funds	1,306	656	(865)	10	1,107

B – Analysis of unrestricted and material designated funds

Fund	Balance at 1 Apr 2023 £'000	Income £'000	Expenditure £'000	Transfers £'000	Balance at 31 Mar 2024 £'000
South Tees Hospital Charity and Associated Funds	5,526	1,830	(1,577)	(10)	5,769
Unrestricted Funds	5,526	1,830	(1,577)	(10)	5,769
Total Funds	6,832	2,486	(2,442)	-	6,876

£100,000 or above is set as an opening or closing balance threshold for the separate reporting of material designated funds.

Other designated funds relate to assisting patients of services provided by the South Tees Hospitals NHS Foundation Trust for which donors have indicated their non-binding wishes when making their generous gifts.

The general funds included donations where donors have not expressed any preference as to how the funds shall be spent and the unrestricted income accruing to the charity. These funds are applied for any charitable purpose to the benefit of the patients of South Tees Hospitals NHS Foundation Trust at the absolute discretion of the Corporate Trustee.

22. Funds over £100,000 for disclosure

Name	Description	2024 £'000	2024 £'000
General Fund	Any charitable purpose relating to the NHS, wholly or mainly for the services provided by South Tees NHS Foundation Trust	1,391	1,113
Staff Lottery Control Account	For the benefit of staff	129	121
Brest Cancer Fund (Surgery)	Development in breast care unit	188	123
Oncology/Radiotherapy/Ward 14	For the benefit of patients and staff	239	279
Rheumatology	For the benefit of patients and staff as well as for training and education of staff and patients	260	234
Endocrinology	To generate donations to help with Diabetes, Endocrinology related education, support courses, conferences and purchase equipment for patients care	165	103
Special Care Baby Unit	For the benefit of patients and staff	459	214
Spinal Injuries	For the benefit of spinal injuries, patients and staff	226	267
Hematology	To support research and facilities for Hematology service	211	184
South Tees Post Graduate Medical Centre	To fund post graduate medical education	150	142
Cardiology	For the benefit of staff and patients	87	132
Hearts and Minds Cardio Appeal	For the development of Cardiovascular Clinical research Facility	34	753
ITU/HDU	For the benefit of staff and patients in Critical Care	261	69
Pediatrics General Fund	For the benefit of staff and patients in Pediatrics	133	53
Cardiothoracic Trust Fund	For the benefit of staff and patients within the cardiothoracic division	161	35

23. Capital Commitments

At the year end the trust has capital commitments of £69,300 in relation to Therapy Chairs that were ordered pre year end but not received or invoiced until post year end.

SOUTH TEES HOSPITALS CHARITY AND ASSOCIATED FUNDS

England & Wales - Charity number 1056061

Accounts

Our **HOSPITALS CHARITY**

Supporting the NHS in
Middlesbrough, Redcar & Cleveland
and Hambleton & Richmondshire

SOUTH TEES HOSPITALS CHARITY AND ASSOCIATED FUNDS ANNUAL REPORT & ACCOUNTS

1 April 2022 - 31 March 2023

Principal office:

Charities Office
The Murray Building
South Tees Hospitals NHS Foundation Trust
James Cook University Hospital
Marton Road
Middlesbrough
TS4 3BW

Registered Charity No. 1056061

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1. Chairman's Statement

I After presenting my first annual charity report for Our Hospitals Charity last year, I am pleased to be able to say that we have had a successful year also in 2022-2023, both in terms of fundraising and delivering some important projects. This is despite the additional economic pressures felt by the public and the falling investment markets. The Charity is still dealing with the increasingly difficult economic aftermath of the coronavirus pandemic but fortunately we have received some significant legacies in the year which will help us to continue to fund our good work. The current cost of living crisis will inevitably be felt by the Charity during the coming year as people will have less disposable income for donations and we can only hope that investment markets will start to recover. However, we are in a healthy position and will continue to monitor the markets and make decisions accordingly to maximise what can be delivered to increase the wellbeing of both staff and patients.

As mentioned, Our Hospitals Charity has had a productive year and this is thanks to our tireless fundraisers, donors, and our numerous corporate supporters. As a result, we have been able to complete some outstanding projects, that will enhance the care our patients and visitors receive, as well as improving the working environment for our staff now and in the future.

We wish to thank all who have supported us during 2022-2023 and look forward to building on the strength of Our Hospitals Charity. We look forward to seeing the benefits in the coming year of the projects that the Charity has funded and also to helping to enhance further, in any way we can, the environment and facilities available in the hospital for our patients, staff and the general public. Some of the highlights from 2022-2023 can be seen below.

Maternity Bereavement Services

Following a very successful fundraising appeal, a bespoke maternity bereavement suite has opened at The James Cook University Hospital.

With an initial target of £60,000 to improve maternity bereavement services, we managed to raise over £104,000 in less than a year – with donations still coming in.

The re-design and re-location of the previous maternity suite, now allows gold standard bereavement care to be delivered to all families who require this service.

The room provides a homely space where parents who have suffered baby loss can meet their baby and spend time making precious memories without feeling like they're in a hospital environment. It has its own private entrance, so families don't have to walk past occupied labour rooms, is completely soundproof and features a double bed, an ensuite bathroom, and a small kitchen area.

We have built lasting relationships with many bereaved families, who continue to fundraise. Feedback from families who have used the new room has been outstanding, and in turn, many are now fundraising in memory of their baby.



Home from home for patients and relatives

Once again, this year we have made improvements to many family rooms throughout our hospitals.

Thanks to the generosity of one of our corporate partners, we were able to transform two of our family rooms in the Spinal Injuries Unit at James Cook. Relatives can now stay close by their loved ones in the calming, non-clinical and therapeutic environment, this has been especially beneficial to those who live out of area.

The Spinal Injuries Unit has also benefitted from a new, specially adapted kitchen, to help patients with their rehabilitation and regaining their independence.

The relatives' room at East Cleveland Hospital has also been transformed, into a modernised comfortable area to enable families to stay close to their loved ones.

Generous donations and fundraising have enabled us to modernise and update the parents' flats and family rooms in the Neonatal Unit. We have received some wonderful feedback from countless families who have used these areas and in turn many of them are fundraising for the unit.

We have also created a calm and tranquil family room on paediatric Ward 21, for parents and carers to use during their child's time in hospital.



Improving outdoor spaces

We continue to improve many of the outdoor spaces across our hospitals. At the end of August 2022 after raising £115,000 we officially opened our Critical Care Garden, which has benefited a great number of patients and staff alike. The garden offers patients and staff a private, tranquil space to spend precious time. It is hoped that the garden will benefit patients rehabilitation as they become re-aquainted with the outside world and use their senses to stimulate the healing process.

Our team has had the pleasure of transforming the garden into a beautiful place to host a wedding for one of our patients on end-of-life care. This enabled the bride and groom to make the most of this very precious time together and celebrate their special day.

When we received a last-minute request to do something special for a long-term patient who was spending his 18th birthday on Critical care, we also used the garden to host a special birthday party for him. With balloons, gifts, and a visit from his favourite Marvel Hero, we were delighted to give him and his family a day to remember.

Other garden developments include the opening of the veteran's garden, we are delighted to be able to fund this project, with the opening coinciding with Remembrance Day. The garden is in honour of our armed forces and is a space for staff to spend some quiet time to reflect and remember the fallen.



Improving Dementia care

Improving dementia care for our patients has also been a highlight this year. Many wards and departments throughout the Trust have been provided with resources and professionally created activities for older people and people living with dementia. Meaningful activities also include a monthly dementia friendly tea party funded by Our Hospitals Charity, which is greatly enjoyed by patients and staff.

Supporting staff wellbeing

For the second year running we have funded the South Tees Staff Choir. Feedback has shown that the staff involved have enjoyed this and feel it is improving their health & wellbeing. Regular flashmobs around the hospital are enjoyed by patients and visitors and the number of staff joining the choir continues to grow.



Thank you once again for all your support and helping to make a difference. With your continued support, we will continue to help fund future projects, big or small and we will look forward to seeing what 2023-2024 has to offer.

Derek



Professor Derek Bell OBE – Joint Chairman

2. Aims and Objectives

Our Role

South Tees Hospitals Charity raises funds to enhance the services that South Tees Hospitals NHS Foundation Trust provides to more than one million people across the region.

The role of the Charity is not to fund patient care, but with the support of the communities we serve to improve it and help with those extras over and above what the NHS can provide.

Our Mission

To support and fund initiatives beyond the remit and the capacity of the NHS.

To achieve this, we:

- Keep the hospitals of the Trust at the forefront of healthcare delivery by purchasing state of the art equipment and funding research.
- Enhance our teams' training to keep our staff at the leading edge of medical advances.
- Create the best possible environments for patients and staff.
- Grow the level of charitable giving to ensure that the work can continue by supporting staff and patients in their fundraising activities.

The hospitals that we support are:

- James Cook University Hospital
- The Friarage Hospital
- East Cleveland Primary Care Hospital
- Guisborough Primary Care Hospital
- Redcar Primary Care Hospital
- The Friary Community Hospital

3. Financial Review

The net assets of South Tees Hospitals Charity as at 31 March 2023 were £6.832 million (£6.476 million 2021/22). There was an increase in cash holdings to £1.302 million (£1.033 million 2021/22), a decrease in debtors to £0.061 million (£0.153 million 2021/22) and a decrease in creditors to £0.737 million (£1.222 million 2021/22).

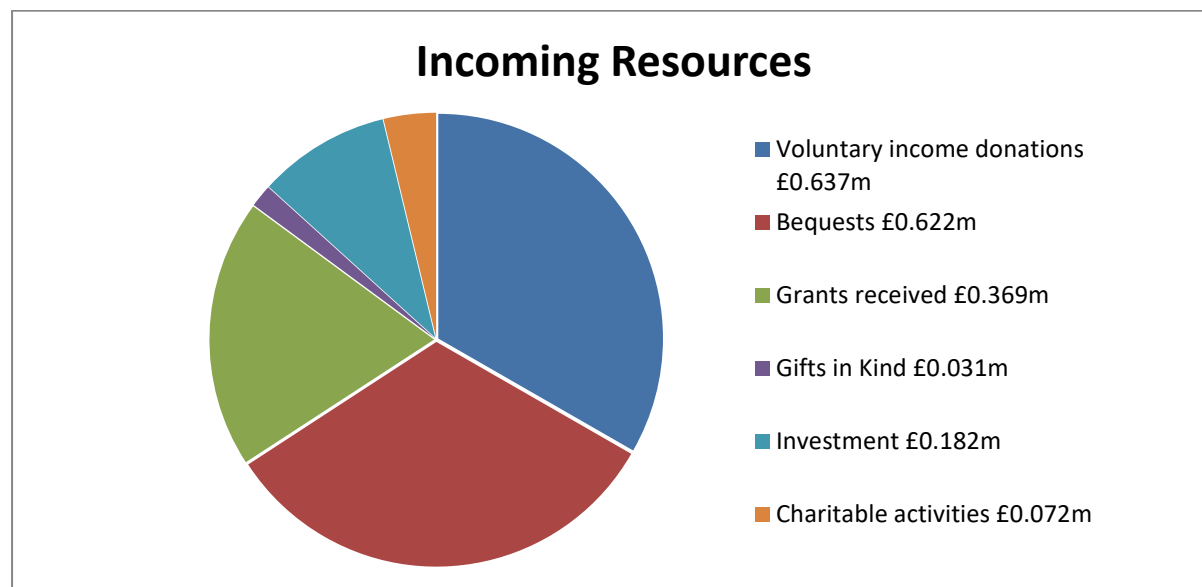
Income

The Charity relies on income received from donations, legacies and the voluntary fundraising efforts of the general public who supported specific appeals or made gifts to support the wards from which they or loved ones had received care. In 2022/23 income increased from £1.292 million to £1.913 million.

The total income received amounting to £1.913 million was represented by voluntary income donations which totalled £0.637 million (£0.519 million 2021/22), bequests totalled £0.622

million (£0.065 million 2021/22), grants received totalled £0.369 million (£0.354 million 2021/22) and gifts in kind totalled £0.031 (£0.088 Million 2021/22)

Investment income of £0.182 million (£0.177 million 2021/22 was received as well as income from charitable trading and activities of £0.072 million (£0.089 million 2021/22).

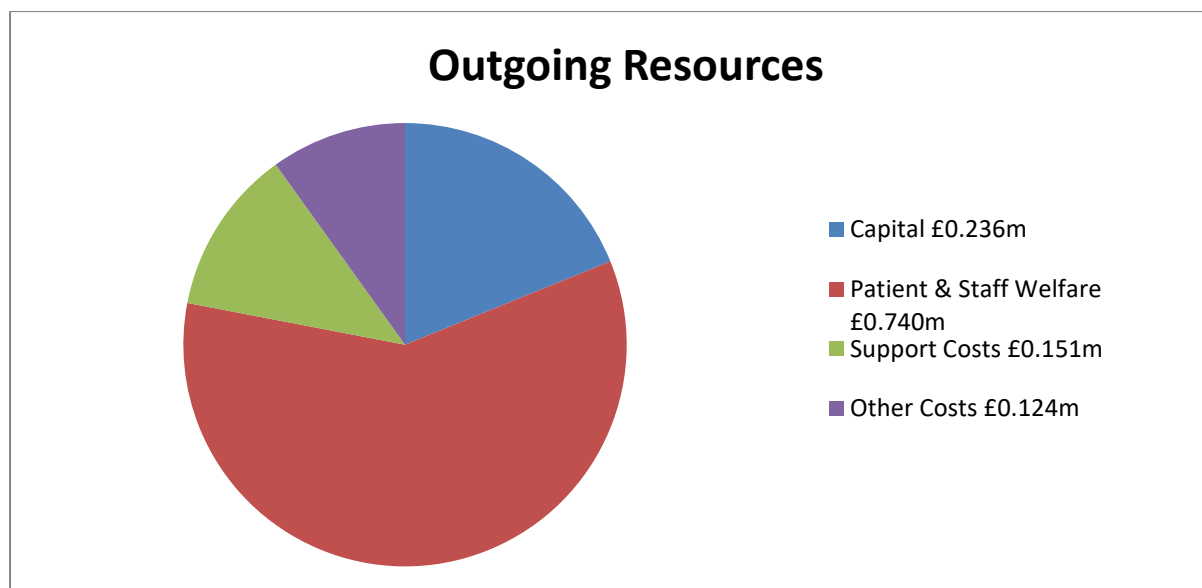


Expenditure

The Charity is a grant giving charity, rather than a service providing charity, in that it seeks to support the services provided by South Tees Hospitals NHS Foundation Trust. All equipment and services purchased by the Charity are donated to the Trust.

Expenditure from funds totalled £1.251 million, compared to expenditure of £2.384 million during the previous financial year.

Expenditure has been spent on capital £0.236 million (£0.979 million 2021/22), patient & staff welfare £0.740 million (£1.121 million 2021/22), support costs £0.151 million (£0.160 million 2021/22) and other costs £0.124 million (£0.124 million 2021/22).



Investments

The Charity's investments are held with CCLA Investment Management and Barclays Wealth with an aim of maximising income and longer-term growth.

The management of 93% of the investment portfolio was moved from Barclays Wealth to CCLA during 2019/20. Cash funds are held outside the portfolio to deal with the short-term cash flow issues. As of 31st March 2023, there has been an in year unrealised loss of £0.306 million.

The performance of the investments is monitored by the Charitable Funds Committee which reports to the Board and reviews investment portfolio valuations provided at regular intervals by the advisers.

The investment policy is reviewed on an on-going basis.

	Total Funds 31 March 2023 £'000	Total Funds 31 March 2022 £'000
Market value brought forward	6,512	6,039
Fair value gains/(losses)	(306)	473
Market value as at 31 March 2023	6,206	6,512

Investments held:

Alternative assets	326	326
COIF Charities Ethical Investment Fund	5,880	6,186
	6,206	6,512

4. Structure, Governance and Management

The South Tees Hospitals Charity was established by Trust Deed and is registered with the Charity Commission (charity number 1056061).

As a body it is a member of the Association of NHS Charities.

All trust funds are registered with the Charity Commission under the umbrella registration of South Tees Hospitals Charity.

The Charity's funds were established using the model declaration of trust and all funds held as at the date of registration were either a part of this unrestricted fund or registered as separate restricted funds under the main charity.

The Corporate Trustee fulfils its legal duty by ensuring that restricted funds are used in accordance with the objectives of each fund, and in designating funds the Trustee respects the wishes of the donor with due consideration made to the Charity Commission's published guidance on Public Benefit as specified under the Charities Act 2011.

At the end of March 2023 there were 264 funds (260 in 2021/22). Each has a designated fund manager with specialist knowledge of the area to which the fund relates. They are generally clinical directors, managers, clinical consultants, heads of departments, ward sisters and Operations Directors who have the delegated power to commit expenditure up to £25,000. For all grants over £25,000 there is an approved Scheme of Delegation based on the Charity's governance framework.

Charitable receipts are recorded in accordance with donors' wishes to registered funds and expenditure is made in accordance with the objectives of each designated trust fund, within the limits set by the Trust's Standing Orders, Standing Financial Instructions and Scheme of Delegation.

The accounting records and day-to-day administration of the funds are dealt with by the charities finance office, which is within the Trust's Chief Executive's department. It is the responsibility of the Corporate Trustee to ensure that the legal and accounting requirements of the Charities Act 2011 and directives from the Charity Commission are adhered to and that surplus funds are invested in a manner suitable for the maximisation of income and to safeguard the capital sums therein.

The Charitable Funds Committee supports and advises the Corporate Trustee of South Tees Hospitals Charity in discharging its responsibilities and remains accountable to the board of directors, acting as Corporate Trustee, in every respect. In 2022/23 the Committee met on three occasions to consider a range of strategic issues within its remit.

Our purpose is to enhance the services that South Tees Hospitals NHS Foundation Trust provides, supporting the provision of general healthcare and staff welfare, the improvement of specialist clinical and clinical support services and the advancement of clinical knowledge. The role of the Charity is not to fund patient care but to improve it.

Strong governance is critical to our success and reputation. The Corporate Trustee has overall responsibility for our work, to ensure we are governed in accordance with the legal and regulatory requirements, and we meet our aims and objectives as a charity.

The Corporate Trustee of the Charity is tasked with:

- Furthering our overall purpose and setting our direction and strategy.
- Ensuring our work is effective, responsible and legal.
- Safeguarding our finances, resources and property and ensuring they are used to further our purpose.
- Being 'accountable' to those with an interest or stake in us or those who regulate us.
- Establishing clear boundaries with the staff and volunteers who carry out our work between the governance role of the Trustees and operational or day-to-day matters.
- Ensuring the Charity operates effectively.

By establishing good governance at South Tees Hospitals Charity, ensuring:

- Compliance with law and regulation.
- That our Charity is well run and efficient.
- That any problems are identified early and dealt with appropriately.
- That we make a difference and the objects of the Charity are advanced

Appointments to the Board are in accordance with the Trust's Constitution, Terms of Authorisation and legal and regulatory requirements.

Members of the Corporate Trustee

The Corporate Trustee is South Tees Hospital NHS Foundation Trust

The Charitable Funds Committee is supported by a number of professional advisers:

Bankers

Barclays Bank Plc
Leicester
LE87 2BB

External Auditor

Robson Laidler Accountants Limited
Fernwood House,
Fernwood Road,
Jesmond,
Newcastle Upon Tyne,
NE2 1TJ

Investment Advisors

CCLA Investment Management
Senator House
85 Queen Victoria Street
London
EC4V 4ET

Additional expertise relating to training is drawn from being a member of the Association of NHS Charities that holds regular conferences and symposia for Directors of the Corporate Trustee.

Key management personnel remuneration

Members of the Corporate Trustee and Charitable Funds Committee are required to disclose relevant interests and register them with the Head of Charity, withdrawing from decisions where conflicts of interest may exist.

The daily management of the Charity is delegated to the Head of Charity who is employed under the terms and conditions set out in the Agenda for Change. Remuneration is reviewed annually and is increased in accordance with the nationally agreed increases in pay scale.

Constitution and powers**Administration**

The Corporate Trustee, under its Scheme of Delegation, has appointed the Chief Finance Officer to be the officer responsible for implementation of procedures, to ensure all legislation and directives are adhered to and that expenditure from trust funds is appropriate for the purpose.

The Chief Finance Officer maintains such accounts and records, as necessary, to record and protect all funds held in trust. He has responsibility for ensuring that the activities of each fund are within the regulations of the Charities Act 2011 and comply with the procedures adopted by the Trust.

Risk Management

The members of the Charitable Funds Committee periodically review the Charity's risk register.

The major external risk, to which the charity could be exposed, is a sudden fall in the value of the investment portfolio. However, the Directors invest over the long term to ensure that the greatest returns are achieved.

Policies and procedures to mitigate risks include:

- The Charity has systems in place to ensure that all donations and legacies are accurately recorded, and that all expenditure is correctly authorised in accordance with the objects of the Charity.
- The internal controls of the Trust have been adopted by the Charity.
- The Charity is audited by the Trust's internal auditors, PricewaterhouseCoopers LLP, who review and test systems, and the Trust's external auditors, Robson Laidler Accountants Ltd, who audit the Charity's Annual Accounts and Report.
- The risks around investment balances have been mitigated through the holding of a balanced portfolio.
- CCLA was appointed to manage the Charity's investments as from 13th February 2020. There are procedures in place to review the investment policy and monitor its performance.
- Short term cash holdings are held in bank accounts to enable immediate access to funds. The level of short-term cash holdings has been reviewed as part of the Charitable Funds Treasury Management Policy.

Partnership working

The patients of South Tees Hospitals NHS Foundation Trust are the main beneficiaries of the Charity, and the Trust is a related party by virtue of the Board of Directors acting as Corporate Trustee. By working in partnership with the Trust, the Corporate Trustee has regard to the main activities taking place within its hospitals to ensure that funds are spent in accordance with the objects of each fund to support the health and welfare of patients and staff.

The Trust is well supported by groups and associated charities, including the South Cleveland Heart Fund, Royal Voluntary Service, Friends of the Friarage and The James Cook University Hospital Voluntary Services Organisation who over many years have raised hundreds of thousands of pounds to support the Trust.

Reserves

At the end of 2022/23 the charity held reserves of £6.832 million. All monies held in funds were unrestricted apart from £1.306 million which are held on a restricted basis.

Reserves are built up to reinvest into the South Tees Hospitals NHS Foundation Trust and provide maximum benefit to the patients and staff. The classification of restricted and unrestricted reserves is reviewed on an annual basis.

The Trustees have agreed that the minimum level of reserves that should be held within the Charity is £400,000. This equates to approximately one year's operational costs and estimated annual commitments which includes salary costs.

Cash on hand balances of £1.302 million are held at the end of 2022/23.

5. Objectives – Moving Forwards

Our Hospital's Charity is committed to continuing to deliver projects and support all areas within the Trust where we can demonstrate and fulfil our Charitable Objectives. Last year we spoke about embarking on an ambitious 12-month strategy and we have continued to develop this by aligning our Charitable Funds with the Collaboratives within the Trust. This is an ongoing process which has involved consolidating and merging some of our Fund balances so that we have a more manageable number of Funds to enable us to focus on developing a spending strategy within the Charity. Donations and fundraising can be targeted towards the areas where the monies will make the greatest impact and difference to the hospital's patients, staff, and visitors. This should also focus our fundraising efforts for the future and will be a continuing objective moving forward.

We are the fundraising arm of South Tees Hospitals NHS Foundation Trust and support patients and staff across Middlesbrough, Redcar & Cleveland and Hambleton & Richmondshire. We are pleased to say that during the coming year, some of our fundraising efforts will come to fruition with the opening of a new Cardiothoracic Research Unit which will be launched in November 2023.

Thanks to the efforts of fundraisers and generosity of the local community there will be a new home for heart research on Teesside, just as Teesside's heart unit is celebrating a milestone anniversary after 30 years of delivering state-of-the-art care to patients with cardiovascular disease across the region and beyond.

Our Hospitals Charity and South Cleveland Heart Fund announced ambitious plans to raise £650,000 in March 2022 to bring first class cardiovascular research facilities to Teesside.

This has culminated in the creation of a dedicated clinical setting for patients in research trials as well as a reception, patient waiting area, new office space and a meeting room. We look forward to its official opening in November this year and seeing how this enhances and adds benefit to our patient care.



We help improve the health and wellbeing of over one million people across the region. Whether it's state of the art equipment, pioneering research, increasing staff training or improving staff health and wellbeing, we are committed to raising the level of NHS service and are proud to have been involved with developing a Unit such as that above.

Another project that we have earmarked for 2023-2024 is further development of the Children's Garden by building a summer house for those children with ASD. These children can find it difficult to come into the hospital for treatment and will be able to get seen in the

summer house instead. We have already had an offer for the donation of a summer house and furniture from SABIC, in memory of one of their staff's little boy who was a long term patient. We will continue to help improve the NHS for those closest to you and patient feedback is important for the Trust to find better ways of delivering its services and Our Hospital's Charity is happy to assist with these extra measures that enhance the whole experience of patient care.

Ultimately, in moving forward, we will continue to do what we do best and help to fundraise and support projects like those above while streamlining Funds to make them more manageable and transparent to Fund holders. We plan to engage with the Fund Holders on a more regular basis to discuss any upcoming projects or areas where targeted help is required. As part of this process, we will explain the different ways in which the Charity is able to help and hopefully come up with solutions that will benefit staff and patient welfare, enhancing the care and facilities that are already provided by the Trust.

6. Statement of Directors' responsibilities in respect of the Corporate Trustee's annual report and the financial statements

In accordance with the trust deed and charity law, the Corporate Trustee is responsible for preparing the Charity's Annual Report and the financial statements in accordance with applicable law and regulations. The Corporate Trustee has elected to prepare the financial statements in accordance with FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

The financial statements are required by law to give a true and fair view of the state of affairs of the charity and of the excess of expenditure over income for that period.

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

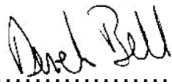
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- state whether the financial statements comply with the trust deed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Members of the Corporate Trustee are required to act in accordance with the trust deed of the charity, within the framework of trust law. They are 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 Corporate Trustee to ensure that, where any statements of accounts are prepared by them under section 132(1) of the Charities Act 2011, those statements of accounts comply with the requirements of regulations under that provision. The Members of the Corporate Trustee have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.

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

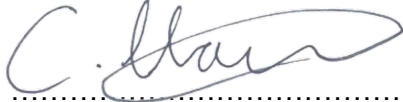
On behalf of the Corporate Trustee,

Signed:


.....
Chairman

5th December 2023

Date


.....
Chief Finance Officer

5th December 2023

Date

7. Audit report

Independent auditor's report to the trustees of South Tees Hospitals NHS Charity

Opinion

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

In our opinion, the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

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

Responsibilities of Trustee

As explained more fully in the trustee responsibilities statement set out on page 23, the trustee is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

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

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

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

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

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

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

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

Use of the audit report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Signed: M Moran

Michael T Moran BA FCA (Senior Statutory Auditor)

For and on behalf of Robson Laidler Accountants Limited

Statutory Auditor

Fernwood House

Fernwood Road

Jesmond

Newcastle Upon Tyne

NE2 1TJ

Date: 12 December 2023

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

8. South Tees Hospitals Charity Statement of Financial Activities for the year ending 31 March 2023

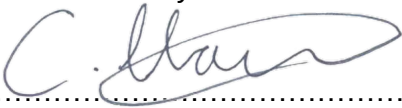
	Notes to financial statements	Funds Unrestricted £'000	Restricted £'000	Total Funds 2023 £'000	Total Funds 2022 £'000
Income and endowments from					
Donations and Legacies	4	569	1,090	1,659	1,026
Charitable Activities	5	25	4	29	35
Other Trading Activities	6	-	43	43	54
Investment Income	8	182	-	182	177
Total Income		776	1,137	1,913	1,292
Expenditure					
Costs of Raising Funds	9	159	99	258	275
Charitable activities	10	807	186	993	2,109
Total expenditure		966	285	1,251	2,384
Net gains / losses on investments	15	(306)	-	(306)	473
Net income / (expenditure)		(496)	852	356	(619)
Transfers between funds	20	(165)	165	-	-
Net movement in funds		(661)	1,017	356	(619)
Reconciliation of funds					
Total funds brought forward	21	6,187	289	6,476	7,095
Total funds carried forward		5,526	1,306	6,832	6,476

9. South Tees Hospitals Charity Balance Sheet as at 31 March 2023

	Notes to financial statements	Funds Unrestricted £'000	Restricted £'000	Total Funds 2023 £'000	Total Funds 2022 £'000
Fixed assets					
Investments	15	6,206	-	6,206	6,512
Total Fixed Assets		6,206	-	6,206	6,512
Current assets					
Debtors and Accrued Income	16	61	-	61	153
Cash and Cash Equivalents	17	(4)	1,306	1,302	1,033
Total Current Assets		57	1,306	1,363	1,186
Liabilities					
Creditors falling due within one year	18	(737)	-	(737)	(1,222)
Net current assets		(680)	1,306	626	(36)
Total Net Assets		5,526	1,306	6,832	6,476
Reserves					
Unrestricted Funds	21	5,526	-	5,526	6,187
Restricted Funds	21	-	1,306	1,306	289
Total reserves		5,526	1,306	6,832	6,476

The notes at pages 24 to 39 form part of these accounts and were approved by the Corporate Trustee on 5th December 2023

Signed on its behalf by:

Signed 

Name Chris Hand - Chief Finance Officer

Date 5th December 2023

10. South Tees Hospitals Charity Statement of Cash Flows for the year ending 31 March 2023

		Total Funds	Total Funds
		2023	2022
	Notes	£'000	£'000
Cash flows from operating activities			
Net cash (spent)/generated by operating activities	19	87	(441)
Cash flows from investing activities			
Dividends, interest and rents from investments	8	182	177
Change in cash and cash equivalents in the reporting period		269	(264)
Cash at the beginning of the reporting period		1,033	1,297
Cash at the end of the reporting period	17	1,302	1,033

11. South Tees Hospitals Charity Notes to the accounts

Note 1	Accounting policies
Note 2	Prior year comparatives by type of fund
Note 3	Related party transactions
Note 4	Income from donations and legacies
Note 5	Analysis of income from charitable activities
Note 6	Analysis of income from other trading activities
Note 7	Role of volunteers
Note 8	Gross investment income
Note 9	Analysis of expenditure on raising funds
Note 10	Analysis of charitable expenditure
Note 11	Allocation of support costs and overheads
Note 12	Directors of the Corporate Trustee remuneration, benefits and expenses
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Note 21	Analysis of charitable funds
Note 22	Funds over £100,000 for disclosure

1. Accounting Policies

(a) Basis of preparation

The financial statements have been prepared under the historic cost convention, with the exception of investments which are included at fair value.

The financial statements have been prepared in accordance with the statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) issued on 16 July 2014 and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2019.

The Trustee considers that there are no material uncertainties about South Tees Hospitals Charity's ability to continue as a going concern. There are no material uncertainties affecting the current year's accounts.

In future years, the key risks to the Charity would be a fall in donations or a fall in the stock market and resulting losses and reduced investment income. The trustees have a risk management strategy and reserves policy in place to mitigate against such risks.

(b) Funds structure

South Tees Hospitals Charity has both restricted and unrestricted funds but has no endowment funds. The Charity has specific funds for each service area of its hospitals; each fund has its own objectives/purpose and is classified as un-restricted designated funds. If a general donation is made and no specific area is identified then the monies will be paid into the General Purpose Fund which is used to benefit patients and staff of the trust at the Trustees' discretion. Appeals for a specific purpose are classified as restricted.

The major funds held are disclosed in note 22.

(c) Income

All income is recognised once the Charity has entitlement, or is probable that the resources will be received and the monetary value can be measured with sufficient reliability.

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

(d) Income from legacies

Legacies are accounted for as income either upon receipt or where the receipt of the legacy is probable. Receipt is probable when;

- confirmation has been received from the representatives of the estate(s) that probate has been granted
- the executors have established that there are sufficient assets in the estate to pay the legacy
- all conditions attached to the legacy have been fulfilled or are within the charity's control.

If there is uncertainty as to the amount of the legacy and it cannot be reliably estimated then the legacy is shown as a contingent asset until all of the criteria for income recognition are met.

(e) Expenditure and irrecoverable VAT

All expenditure has been accounted for on an accruals basis and has been classified under headings that aggregate all costs related to each category of expense shown in the Statement of Financial Activities. Expenditure is recognised when the following criteria are met:

- There is a present legal or constructive obligation resulting from a past event
- It is more likely than not that a transfer of benefits (usually a cash payment) will be required in settlement
- The amount of the obligation can be measured or estimated reliably.

Irrecoverable VAT is charged against the category of expenditure for which it was incurred.

The Charity reimburses the Trust for expenditure they have incurred on the Charity's behalf; this is as a result of the grants awarded by the Charity. Reimbursement is made when the liabilities have been settled and payment made. Any goods received prior to 31 March but not yet settled are accounted for as accruals in year.

(f) Recognition of expenditure and associated liabilities as a result of a grant

Grants payable are payments made to linked, related party or third party NHS bodies and non NHS bodies, in furtherance of the charitable objectives of the funds held on trust, primarily relief of those who are sick.

Grant payments are recognised as expenditure when the conditions for their payment have been met or where there is a constructive obligation to make a payment. A constructive obligation arises when:

- We have communicated our intention to award a grant to a recipient who then has a reasonable expectation that they will receive the grant
- We have made a public announcement about a commitment which is specific enough for the recipient to have a reasonable expectation that they will receive a grant
- There is an established pattern of practice which indicates to the recipient that we will honour the commitment.

The Trustee has control over the amount and timing of grant payments and consequently where approval has been given by them and any of the above criteria have been met then a liability is recognised. When grants are awarded with conditions attached then those conditions have to be met, or expected to be met, before the liability is recognised.

Where an intention has not been communicated, then no expenditure is recognised but an appropriate designation is made in the appropriate fund. If a grant has been offered but there is uncertainty as to whether it will be accepted or whether conditions will be met then no liability is recognised but a contingent liability is disclosed.

(g) Allocation of support costs

Support costs are those which do not relate directly to a single activity. These include some staff costs, costs of administration, internal and external audit costs and IT support. Support costs have been apportioned between fundraising costs and charitable activities on an appropriate basis. The analysis of support costs and the bases of apportionment applied are shown in note 11.

(h) Fundraising costs

The costs of generating funds are those costs attributable to generating income for the Charity, other than those costs incurred in undertaking charitable activities or the costs incurred in undertaking trading activities in furtherance of a charity's objects. The costs of generating funds represent fundraising costs together with investment management fees. Fundraising costs include expenses for fundraising activities.

(i) Charitable activities

Costs of charitable activities comprise all the costs incurred in the pursuit of the charitable objectives of the Charity. These costs, where not wholly attributable, are apportioned between the categories of charitable expenditure in addition to the direct costs. The total costs of each category of charitable expenditure include an apportionment of support costs as shown in note 10.

(j) Fixed asset investments

Investments are a form of basic financial instrument. Fixed asset investments are initially recognised at their transaction value and are subsequently measured at their fair value (market value) as at the balance sheet date.

(k) Debtors

Debtors are amounts owed to the Charity. They are measured on the basis of their recoverable amount.

(l) Cash and cash equivalents

Cash at bank and in hand is held to meet the day to day running costs of the charity as they fall due. Cash equivalents are short term, highly liquid investments, usually in less than 90 day notice interest bearing savings accounts.

(m) Creditors

Creditors are amounts owed by the Charity. They are measured at the amounts that the Charity must pay to settle the debt.

Those amounts which are owed in more than one year are shown as long term creditors.

(n) Realised gains and losses

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

2. Prior year comparatives by type of fund

The primary statements provide prior year comparatives in total; this note provides prior year comparatives for the Statement of Financial Activities and Balance Sheet for each type of fund that South Tees Hospitals Charity manages.

2A Unrestricted Funds - Statement of Financial Activity for the Year Ending 31/3/2023

	<u>2022/23</u> £'000s	<u>2021/22</u> £'000s
Income and endowments from		
Donations and Legacies	569	682
Charitable Activities	25	35
Other Trading Activities	-	10
Investment Income	182	177
Total Income	776	904
Expenditure		
Costs of Raising Funds	159	245
Charitable activities	807	1,030
Total expenditure	966	1,275
Net gains / losses on investments	(306)	473
Net income / (expenditure)	(496)	102
Transfers between funds	(165)	(486)
Net movement in funds	(661)	(384)
Reconciliation of funds		
Total funds brought forward	6,187	6,571
Total funds carried forward	5,526	6,187

2B Unrestricted Funds - Balance Sheet as at 31/3/2023

	<u>2022/23</u>	<u>2021/22</u>
	£'000s	£'000s
Fixed assets		
Investments	6,206	6,512
Total Fixed Assets	6,206	6,512
Current assets		
Debtors and Accrued Income	61	153
Cash and Cash Equivalents	(4)	744
Total Current Assets	57	897
Liabilities		
Creditors falling due within one year	(737)	(1,222)
Net current assets	(680)	(325)
Total Net Assets	5,526	6,187
Reserves		
Unrestricted Funds	5,526	6,187
Total reserves	5,526	6,187

2C Restricted Funds - Statement of Financial Activity for the Year Ending 31/3/23

	<u>2022/23</u>	<u>2021/22</u>
	£'000s	£'000s
Income and endowments from		
Donations and Legacies	1,090	344
Charitable Activities	4	-
Other Trading Activities	43	44
Total Income	1,137	388
Expenditure		
Costs of Raising Funds	99	30
Charitable activities	186	1,079
Total expenditure	285	1,109
Net gains / losses on investments	-	-
Net income / (expenditure)	852	(721)
Transfers between funds	165	486
Net movement in funds	1,017	(235)
Reconciliation of funds		
Total funds brought forward	289	524
Total funds carried forward	1,306	289

2D Restricted Funds - Balance Sheet

	<u>2022/23</u>	<u>2021/22</u>
	£'000s	£'000s
Fixed assets		
Investments	-	-
Total Fixed Assets	-	-
Current assets		
Debtors and Accrued Income	-	-
Cash and Cash Equivalents	1,306	289
Total Current Assets	1,306	289
Liabilities		
Creditors falling due within one year	-	-
Net current assets	1,306	289
Total Net Assets	1,306	289
Reserves		
Restricted Funds	1,306	289
Total reserves	1,306	289

3. Related party transactions

South Tees Hospitals NHS Foundation Trust patients are the main beneficiary of the Charity and the trust is a related party by virtue of being Corporate Trustee of the Charity. The charity has provided funding to the Trust for approved expenditure made on behalf of the charity. During the current financial year this expenditure amounted to £1.251 million (£2.384 million 2021/22) with £0.679 million owed by the charity to the Trust at 31 March 2022 (£1.094 million 2021/22).

During the year, no members of the Charitable Funds Committee, the key management staff or parties related to them has undertaken any material transaction within the South Tees Hospitals Charity and Associated Funds.

The South Tees Hospitals NHS Foundation Trust makes a number of services available to the Charity; these include the use of the general ledger system, procurement system, payroll reimbursement system and office accommodation.

Board members and directors

Declarations of interests, completed on an annual basis by Executive and Non-Executive Directors, have been reviewed to identify any related party relationships requiring disclosure within this note.

There were no charity related party transactions connected with Directors of the Corporate Trustee and their associated interests.

4. Income from donations and legacies

	Funds		Total Funds	Total Funds
	Unrestricted	Restricted	2023	2022
	£'000	£'000	£'000	£'000
Donations	304	110	414	328
Fundraising income generated by donors	100	36	136	119
Gift aid	29	13	42	32
Corporate donations	24	21	45	40
Legacies	100	522	622	65
Grants receivable	12	357	369	354
Gifts in kind	-	31	31	88
Total	569	1,090	1,659	1,026

Donations from individuals are gifts from members of the public, relatives of patients and staff. Grateful patients and family members express their gratitude for the care received; supporters often undertake fundraising activities and collect sponsorship.

5. Analysis of income from charitable activities

	Funds		Total Funds	Total Funds
	Unrestricted	Restricted	2023	2022
	£'000	£'000	£'000	£'000
Payment for holistic treatments provided	23	-	23	29
Other trading income	2	4	6	6
Total	25	4	29	35

Trading income was primarily from the therapy treatments to patients of South Tees Hospitals provided by the Trinity Holistic Centre.

6. Analysis of income from other trading activities

	Funds		Total Funds	Total Funds
	Unrestricted	Restricted	2023	2022
	£'000	£'000	£'000	£'000
Staff lottery deductions	-	43	43	44
Miscellaneous income	-	-	-	10
	-	43	43	54

7. Role of volunteers

The Charity is reliant on a team of volunteers. In accordance with the SORP, due to the absence of any reliable measurement basis, the contribution of these volunteers is not recognised in the accounts.

8. Gross investment income

Gross investment income

	2022/23	2021/22
	£'000s	£'000s
Investments listed on a Stock Exchange, Held in UK	182	177
Total	182	177

9. Analysis of expenditure on raising funds

	Funds		Total Funds	Total Funds
	Unrestricted	Restricted	2023	2022
	£'000	£'000	£'000	£'000
Fundraising events	8	77	85	92
Lottery winnings paid	-	22	22	23
Support costs	151	-	151	160
Total	159	99	258	275

10. Analysis of charitable expenditure

The Charity did not undertake any direct charitable activities on its own account during the year.

Expenditure is incurred in favour of South Tees Hospitals NHS Foundation Trust to carry out activities which will benefit NHS patients, their families and staff. The Charity incurred expenditure with third parties in pursuance of those grants or reimbursed expenditure incurred by them or their staff.

The Charity reimburses the Trust once the expenditure is recognised, this is when liabilities have been settled and payment made with obligations committing the Charity to expenditure by fund-holders to whom power to expend Charity funds has been delegated, any goods or services received prior to 31 March 2022 but not yet settled are accounted for as accruals in year.

	Unrestricted Funds		Restricted Funds		Total Funds	Total Funds
	Grant funded activity	Support costs	Grant funded activity	Support costs	2023	2022
	£'000	£'000	£'000	£'000	£'000	£'000
Patient welfare	152	26	41	-	219	99
Staff salaries, education & welfare	332	58	25	-	415	707
Capital	133	23	80	-	236	979
Goods & equipment	56	10	9	-	75	215
Course running costs	2	-	-	-	2	1
Volunteer support costs	13	2	-	-	15	8
Gift in kind	-	-	31	-	31	100
Total	688	119	186	-	993	2,109

11. Allocation of support costs and overheads

	Raising Funds £'000	Charitable Activities £'000	Total Funds 2023 £'000	Total Funds 2022 £'000
External audit	11	-	11	11
Governance	11	-	11	11
Salaries and related costs	131	119	250	260
Bank charges	6	-	6	6
System charges	3	-	3	3
Miscellaneous	-	-	-	2
Total	151	119	270	282

12. Directors of the Corporate Trustee remuneration, benefits and expenses

The members of the governing committee give their time freely but are able to claim expenses to reimburse them for costs that they incur in fulfilling their duties.

Committee members have not received remuneration, benefits or expenses during 2022/23 or 2021/22 in relation to their support of the charity.

13. Staff costs and Key management personnel

The Charity does not directly employ any members of staff. The services used by the Charity are provided by South Tees Hospitals Trust. The cost of providing these services are recharged to the Charity by the Trust.

The charity considers its key management personnel to be the Directors of the Corporate Trustee and the Director of Charities.

14. Auditor's remuneration

The auditor's remuneration for the 2021/22 financial year was £10,200 (£10,800 2021/22) related solely to the audit with no additional work being undertaken.

15. Fixed asset investments

Fixed assets investments	Total Funds 2023 £'000	Total Funds 2022 £'000
Market value brought forward	6,512	6,039
Net gain/(loss) on revaluation	(306)	473
Total	6,206	6,512

16. Analysis of current debtors

Analysis of current debtors		
	Total Funds 2023 £'000	Total Funds 2022 £'000
Other debtors - unrestricted	1	18
Prepayments & accrued income - unrestricted	60	135
Total	61	153

Other debtors represent sums owed to the Charity by other non-related parties.

17. Analysis of cash and cash equivalents

	Total Funds 2023 £'000	Total Funds 2022 £'000
Cash in hand - unrestricted	(4)	744
Cash in hand - restricted	1,306	289
Total	1,302	1,033

18. Analysis of liabilities**Analysis of liabilities - under 1 year**

	Total Funds 2023 £'000	Total Funds 2022 £'000
Other creditors - unrestricted	684	1,102
Accruals - unrestricted	53	120
Total	737	1,222

19. Reconciliation of net income to net cash flow from operating activities

	2023 £'000	2022 £'000
Net income (per SOFA)	356	(619)
Adjustments for:		
Net (gain)/loss on investments	306	(473)
Investment income	(182)	(177)
Decrease/(increase) in debtors	91	192
Increase/(decrease) in creditors	(485)	636
Net cash (used in)/provided by operating activities	87	(441)

20. Transfers between funds

There were two transfers from restricted to unrestricted funds during the financial year.

Transfers between funds

	Unrestricted £'000	Restricted £'000
Transfers	(165)	165
Total	(165)	165

21. Analysis of charitable funds

A - Analysis of charitable funds

Fund	Fund Balance at 01/04/2022				Fund Balance at 31/03/2023
	Brought Forward £'000	Income £'000	Expenditure £'000	Transfers £'000	Carried Forward £'000
Small Restricted Donations	4	20	-	-	24
To Benefit Mowbray Suite FHN	41	-	-	-	41
NHS Charities	137	113	(174)	-	76
Staff Lottery	100	43	(22)	-	121
Hearts and Minds Cardio Appeal	7	613	(32)	165	753
Maternity Bereavement	-	104	(57)	-	47
Rheumatology Staff + Patient	-	123	-	-	123
Oncology/Radiotherapy/Ward 14	-	85	-	-	85
Renal Unit	-	15	-	-	15
Ward 8 Urology General JcuH	-	15	-	-	15
Orthopaedics	-	5	-	-	5
Head + Neck Research	-	1	-	-	1
Restricted Funds Total	289	1,137	(285)	165	1,306

B - Analysis of unrestricted and material designated fund movements

Fund	Fund Balance at 01/04/2022				Fund Balance at 31/03/2023
	Brought Forward £'000	Income £'000	Expenditure £'000	Transfers £'000	Carried Forward £'000
South Tees Hospital Charity and Associated Funds	6,187	776	(1,272)	(165)	5,526
Unrestricted Funds Total	6,187	776	(1,272)	(165)	5,526
Total Funds	6,476	1,913	(1,557)	-	6,832

£100,000 or above is set as an opening or closing balance threshold for the separate reporting of material designated funds.

Other designated funds relate to assisting patients of services provided by the South Tees Hospitals NHS Foundation Trust for which donors have indicated their non-binding wishes when making their generous gifts.

The general funds included donations where donors have not expressed any preference as to how the funds shall be spent and the unrestricted income accruing to the charity. These funds are applied for any charitable purpose to the benefit of the patients of South Tees Hospitals NHS Foundation Trust at the absolute discretion of the Corporate Trustee.

22. Funds over £100,000 for disclosure

Name	Description	2023	2022
		£'000	£'000
Discretionary expenditure fund	Capital fund to purchase items of equipment	743	747
General fund	Any charitable purpose relating to the NHS, wholly or mainly for the services provided by South Tees NHS Foundation Trust	370	631
Staff Lottery Control Account	For the benefit of staff.	121	101
Breast Cancer Fund (Surgery)	Developments in breast care unit.	123	129
Oncology / Radiotherapy / Ward 14	For the benefit of patients and staff	279	205
Rheumatology	For the benefit of patients and staff as well as for training and education off staff and patients	111	176
Endocrinology	To generate donations to help with Diabetes, Endocrinology related education, support courses, conferences and purchase equipment for patients care.	103	107
Special Care Baby Unit	For the benefit of patients and staff	214	206
Spinal Injuries	For the benefit of spinal injuries, patients and staff	267	323
Haematology	To support research and facilities for Haematology service	184	185
South Tees Post Graduate Medical Centre	To fund post graduate medical education	142	165
Cardiothoracic Research and Development Fund	To purchase and support research and development in the division of Cardiothoracic Medicine, both clinical and non clinical.	27	135
Cardiology	For the benefit of staff and patients.	132	136
Hearts and Minds Cardio Appeal	For the development of a Cardiovascular Clinical Research Facility	753	7
Rheumatology Staff + Patient	For the benefit of staff and patients in Rheumatology	137	14

23. Post Balance Sheet Events

The Charity received confirmation before 31 March 2023 that 3 legacies, totalling £383,999, were due to be settled. The notifications did not provide details of the financial consideration and in line with the reporting requirements of the SORP, these were not reported in the Accounts. The legacies were received in April and will be disclosed in the 2023/24 position.

SOUTH TEES HOSPITALS CHARITY AND ASSOCIATED FUNDS

England & Wales - Charity number 1056061

Accounts

Our **HOSPITALS CHARITY**

Supporting the NHS in
Middlesbrough, Redcar & Cleveland
and Hambleton & Richmondshire

SOUTH TEES HOSPITALS CHARITY AND ASSOCIATED FUNDS ANNUAL REPORT & ACCOUNTS

1 April 2021 - 31 March 2022

Principal office:

Charities Office
The Murray Building
South Tees Hospitals NHS Foundation Trust
James Cook University Hospital
Marton Road
Middlesbrough
TS4 3BW

Registered Charity No. 1056061

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1. Chairman's Statement

I am pleased to be able to present my first annual charity report for Our Hospitals Charity. I am aware that the Charity has undertaken significant work during what has been a difficult period for the Trust and all charities from the impact of the coronavirus pandemic.

Our Hospitals Charity has had a productive year.

Thanks go to our tireless fundraisers and the numerous corporate supporters we have brought on board in 2021 to 2022. As a result, we have been able to complete some outstanding projects, that will enhance the care our patients and visitors as well as improving the working environment for our staff now and in the future.

The successful completion of a challenge to raise £500,000 for a new, first-class kidney unit at The James Cook University Hospital has been a major success story.

The new unit opened in November 2021 and will see over 3,000 appointments every year in the Middlesbrough hospital's renal unit and more outpatients than ever before are using the facility thanks to advances in medical care, it was time to update the space and ensure we were making the best possible use of it.

Our fundraisers really got behind the campaign and we now have a much brighter, more modern and welcoming environment for our kidney patients, who are also benefiting from the additional clinical space and the fact our specialist renal nurses now all have a home in one place.

A new Children and Young Peoples Emergency Department. Our dedicated fundraisers also made a new Emergency Department especially for children and young people possible, enabling us to provide the best possible care for some of our youngest patients.

Money for sensory toys and therapeutic equipment cannot be provided by the NHS, but thanks to our fundraisers, these things are proving to be invaluable to many of the little ones who come through the much more child-friendly doors of our children's emergency department at James Cook Hospital, as they provide a much-needed distraction from their fears or pain.

After a tough couple of years responding to the coronavirus pandemic, staff wellbeing was also at the forefront of our minds this year.

A makeover and upgrading of several staff areas across James Cook Hospital, Friarage and our Community Hospitals was made possible through donations and grants from NHS Charities Together, so that they are now a haven of calm for our hardworking staff, in which they can take a well-deserved break.

The comfortable chairs, plants, tea and coffee making facilities and ambient lighting in relaxing rooms have been much welcomed by staff, but Our Hospitals Charity has gone even further than that, by funding much-needed psychological support for staff.

We have also been busy improving numerous outdoor spaces for the benefit of both staff and patients - and that work will continue until at least 2023.

As ever, our neonatal unit has proven to be a popular cause again this year and we are delighted to be able to continue to support the patients and families using these vital services by making them more comfortable places to be.

On an individual and personal level Our Hospitals Charity also enabled two terminally ill patients to get married in hospital in the past year – an experience and a gesture that you just cannot put a price on.

We believe the charity is growing stronger and we wish to thank all who have supported us and indeed invite more to join us and celebrate the successes.

We look forward to seeing what the next 12 months brings as we continue to enhance our hospital environments for all our patients, visitors and staff.

Thank you so much.

Derek



Professor Derek Bell OBE – Joint Chairman

2. Aims and Objectives

Our Role

South Tees Hospitals Charity raises funds to enhance the services that South Tees Hospitals NHS Foundation Trust provides to more than one million people across the region.

The role of the Charity is not to fund patient care, but with the support of the communities we serve to improve it and help with those extras over and above what the NHS can provide.

Our Mission

To support and fund initiatives beyond the remit and the capacity of the NHS.

To achieve this we:

- Keep the hospitals of the Trust at the forefront of healthcare delivery by purchasing state of the art equipment and funding research.
- Enhance our teams' training to keep our staff at the leading edge of medical advances.
- Create the best possible environments for patients and staff.
- Grow the level of charitable giving to ensure that the work can continue by supporting staff and patients in their fundraising activities.

The hospitals that we support are:

- James Cook University Hospital
- The Friarage Hospital
- East Cleveland Primary Care Hospital
- Guisborough Primary Care Hospital
- Redcar Primary Care Hospital
- The Friary Community Hospital

In 2021/22 we were able to make a difference to patients, by spending over £89,000 on their welfare and improving clinical environments.

Expenditure is made in accordance with charity law, our constitution and the wishes and direction of donors and with regard to the Charity Commission's guidance on public benefit. In 2021/22 the Charity made grants to a value of £2.384 million (£1.619 million in 2020/21).

During the financial year voluntary income from donations totalled £0.519 million (£0.496 million in 2020/21) and bequests totalled £0.065 million (£0.345 million in 2020/21). Grants received totalled £0.354 million (£0.798 million in 2020/21). Investment income of £0.177 million (£0.183million in 2020/21) was received as well as income from charitable activities totalling £0.035 million (£0.006 million in 2020/21). Miscellaneous income of £0.054 million (£0.041 million in 2020/21) and Gifts in kind £0.088 million (£0.044 million in 2020/21).

3. Financial Review

Assets

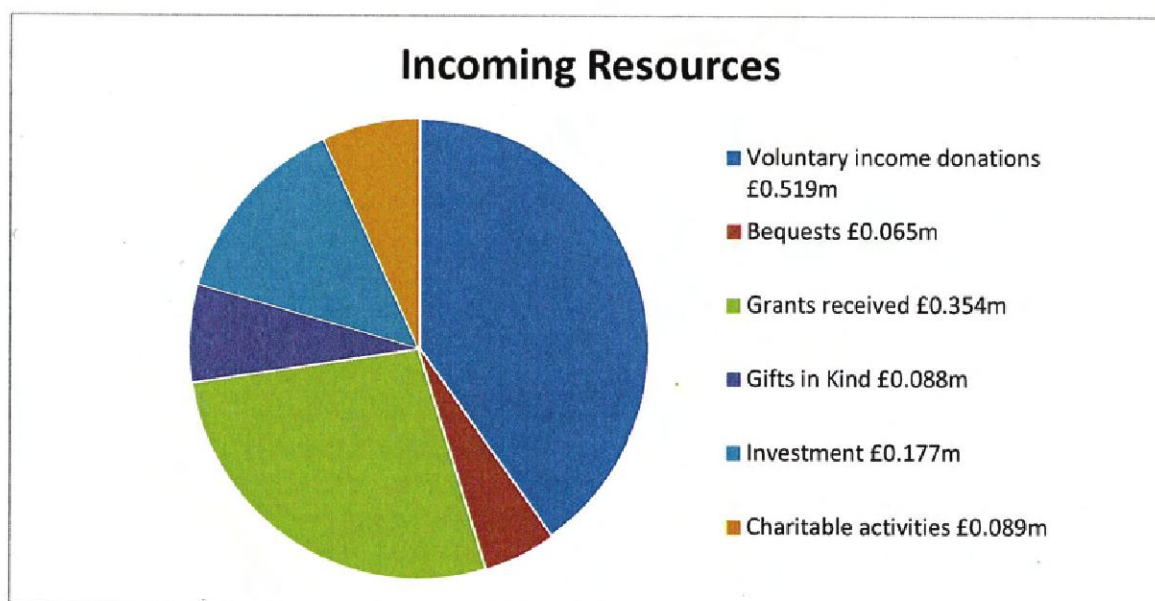
The net assets of South Tees Hospitals Charity as at 31 March 2022 were £6.476 million (£7.095 million 2020/21). There was a decrease in cash holdings to £1.033 million (£1.297 million 2020/21), a decrease in debtors to £0.153 million (£0.338 million 2020/21) and a increase in creditors to £1.222 million (£0.579 million 2020/21).

Income

The Charity relies on income received from donations, legacies and the voluntary fundraising efforts of the general public who supported specific appeals or made gifts to support the wards from which they or loved ones had received care. In 2021/22 income decreased from £1.683 million to £1.026 million.

The total income received amounting to £1.292 million was represented by voluntary income donations which totalled £0.519 million (£0.496 million 2020/21), bequests totalled £0.065 million (£0.345 million 2020/21), grants received totalled £0.354 million (£0.798 million 2020/21) and gifts in kind totalled £0.088 (£0.044 Million 2020/21)

Investment income of £0.177 million (£0.183 million 2020/21) was received as well as income from charitable trading and activities of £0.089 million (£0.047 million 2020/21).

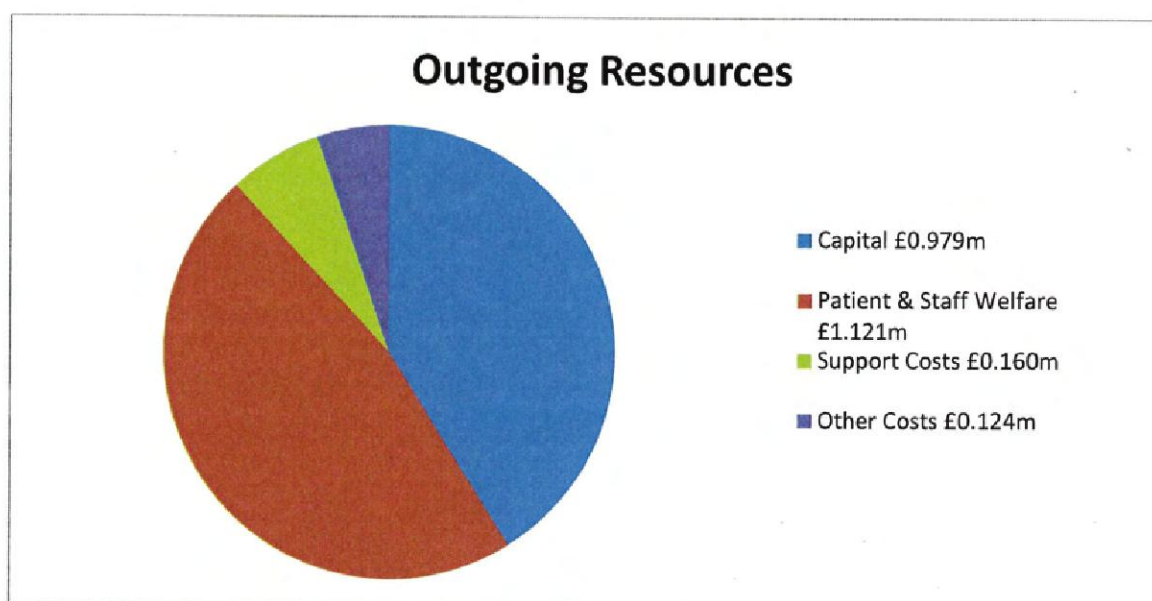


Expenditure

The Charity is a grant giving charity, rather than a service providing charity, in that it seeks to support the services provided by South Tees Hospitals NHS Foundation Trust. All equipment and services purchased by the Charity are donated to the Trust.

Expenditure from funds totalled £2.384 million, compared to expenditure of £1.619 million during the previous financial year.

Expenditure has been spent on capital £0.979 million (£0.536 million 2020/21), patient & staff welfare £1.121 million (£0.899 million 2020/21), support costs £0.160 million (£0.159 million 2020/21) and other costs £0.124 million (£0.025 million 2020/21)



Investments

The Charity's investments are held with CCLA Investment Management and Barclays Wealth with an aim of maximising income and longer term growth.

The management of 93% of the investment portfolio was moved from Barclays Wealth to CCLA during 2019/20. Cash funds are held outside the portfolio to deal with the short-term cash flow issues. As at 31st March 2022 there has been an in year unrealised gain of £0.473 million.

	Total Funds 31 March 2022 £'000	Total Funds 31 March 2021 £'000
Market value brought forward	6,039	5,107
Fair value gains/(losses)	473	932
Market value as at 31 March 2022	6,512	6,039
Investments held:		
Alternative assets	326	326
COIF Charities Ethical Investment Fund	6,186	5,713
	6,512	6,039

The performance of the investments is monitored by the Charitable Funds Committee which reports to the Board and reviews investment portfolio valuations provided at regular intervals by the advisers.

The investment policy is reviewed on an on-going basis.

4. Structure, Governance and Management

The South Tees Hospitals Charity was established by Trust Deed and is registered with the Charity Commission (charity number 1056061).

As a body it is a member of the Association of NHS Charities.

All trust funds are registered with the Charity Commission under the umbrella registration of South Tees Hospitals Charity.

The Charity's funds were established using the model declaration of trust and all funds held as at the date of registration were either a part of this unrestricted fund or registered as separate restricted funds under the main charity.

The Corporate Trustee fulfils its legal duty by ensuring that restricted funds are used in accordance with the objectives of each fund, and in designating funds the Trustee respects the wishes of the donor with due consideration made to the Charity Commission's published guidance on Public Benefit as specified under the Charities Act 2011.

At the end of March 2022 there were 260 funds (262 in 2020/21). Each has a designated fund manager with specialist knowledge of the area to which the fund relates. They are generally clinical directors, managers, clinical consultants, heads of departments, ward sisters and Operations Directors who have the delegated power to commit expenditure up to £25,000. For all grants over £25,000 there is an approved Scheme of Delegation based on the Charity's governance framework.

Charitable receipts are recorded in accordance with donors' wishes to registered funds and expenditure is made in accordance with the objectives of each designated trust fund, within the limits set by the Trust's Standing Orders, Standing Financial Instructions and Scheme of Delegation.

The accounting records and day-to-day administration of the funds are dealt with by the charities finance office, which is within the Trust's Chief Executive's department.

It is the responsibility of the Corporate Trustee to ensure that the legal and accounting requirements of the Charities Act 2011 and directives from the Charity Commission are adhered to and that surplus funds are invested in a manner suitable for the maximisation of income and to safeguard the capital sums therein.

The Charitable Funds Committee supports and advises the Corporate Trustee of South Tees Hospitals Charity in discharging its responsibilities and remains accountable to the board of directors, acting as Corporate Trustee, in every respect. In 2021/22 the Committee met on four occasions to consider a range of strategic issues within its remit.

Our purpose is to enhance the services that South Tees Hospitals NHS Foundation Trust provides, supporting the provision of general healthcare and staff welfare, the improvement of specialist clinical and clinical support services and the advancement of clinical knowledge. The role of the Charity is not to fund patient care but to improve it.

Strong governance is critical to our success and reputation. The Corporate Trustee has overall responsibility for our work, to ensure we are governed in accordance with the legal and regulatory requirements, and we meet our aims and objectives as a charity.

The Corporate Trustee of the Charity is tasked with:

- Furthering our overall purpose and setting our direction and strategy.
- Ensuring our work is effective, responsible and legal.
- Safeguarding our finances, resources and property and ensuring they are used to further our purpose.
- Being 'accountable' to those with an interest or stake in us or those who regulate us.
- Establishing clear boundaries with the staff and volunteers who carry out our work between the governance role of the Trustees and operational or day-to-day matters.
- Ensuring the Charity operates effectively.

By establishing good governance at South Tees Hospitals Charity, ensuring:

- Compliance with law and regulation.
- That our Charity is well run and efficient.
- That any problems are identified early and dealt with appropriately.
- That we make a difference and the objects of the Charity are advanced.

Appointments to the Board are in accordance with the Trust's Constitution, Terms of Authorisation and legal and regulatory requirements.

Members of the Corporate Trustee

The Corporate Trustee is South Tees Hospital NHS Foundation Trust

The Charitable Funds Committee is supported by a number of professional advisers:

Bankers

Barclays Bank Plc
Leicester
LE87 2BB

External Auditor

Robson Laidler Accountants Limited
Fernwood House,
Fernwood Road,
Jesmond,
Newcastle Upon Tyne,
NE2 1TJ

Investment Advisors

Barclays Wealth
Barclays House
5 St Ann's Street
Quayside
Newcastle upon Tyne
NE1 2BH

Investment Advisors

CCLA Investment Management
Senator House
85 Queen Victoria Street
London
EC4V 4ET

Additional expertise relating to training is drawn from being a member of the Association of NHS Charities that holds regular conferences and symposia for Directors of the Corporate Trustee.

Key management personnel remuneration

Members of the Corporate Trustee and Charitable Funds Committee are required to disclose relevant interests and register them with the Head of Charity, withdrawing from decisions where conflicts of interest may exist.

The daily management of the Charity is delegated to the Head of Charity who is employed under the terms and conditions set out in the Agenda for Change. Remuneration is reviewed annually and is increased in accordance with the nationally agreed increases in pay scale.

Constitution and powers**Administration**

The Corporate Trustee, under its Scheme of Delegation, has appointed the Director of Finance to be the officer responsible for implementation of procedures, to ensure all legislation and directives are adhered to and that expenditure from trust funds is appropriate for the purpose.

The Director of Finance maintains such accounts and records, as necessary, to record and protect all funds held in trust. He has responsibility for ensuring that the activities of each fund are within the regulations of the Charities Act 2011 and comply with the procedures adopted by the Trust.

Risk Management

The members of the Charitable Funds Committee periodically review the Charity's risk register.

The major external risk, to which the charity could be exposed, is a sudden fall in the value of the investment portfolio. However the Directors invest over the long term to ensure that the greatest returns are achieved.

Policies and procedures to mitigate risks include:

- The Charity has systems in place to ensure that all donations and legacies are accurately recorded, and that all expenditure is correctly authorised in accordance with the objects of the Charity.
- The internal controls of the Trust have been adopted by the Charity.
- The Charity is audited by the Trust's internal auditors, PricewaterhouseCoopers LLP, who review and test systems, and the Trust's external auditors, Robson Laidler Accountants Limited, who audit the Charity's Annual Accounts and Report.
- The risks around investment balances have been mitigated through the holding of a balanced portfolio.
- CCLA was appointed to manage the Charity's investments as from 13th February 2020. There are procedures in place to review the investment policy and monitor its performance.
- Short term cash holdings are held in bank accounts to enable immediate access to funds. The level of short term cash holdings has been reviewed as part of the Charitable Funds Treasury Management Policy.

Partnership working

The patients of South Tees Hospitals NHS Foundation Trust are the main beneficiaries of the Charity and the Trust is a related party by virtue of the Board of Directors acting as Corporate Trustee. By working in partnership with the Trust, the Corporate Trustee has regard to the main activities taking place within its hospitals to ensure that funds are spent in accordance with the objects of each fund to support the health and welfare of patients and staff.

The Trust is well supported by groups and associated charities, including the South Cleveland Heart Fund, Royal Voluntary Service, Friends of the Friarage and The James Cook University Hospital Voluntary Services Organisation who over many years have raised hundreds of thousands of pounds to support the Trust.

Reserves

At the end of 2021/22 the charity held reserves of £6.476 million. All monies held in funds were unrestricted apart from £0.289 million which are held on a restricted basis.

Reserves are built up to reinvest into the South Tees Hospitals NHS Foundation Trust and provide maximum benefit to the patients and staff. The classification of restricted and unrestricted reserves is reviewed on an annual basis.

There are no material recurring commitments for which it would be prudent to hold reserves against uncertainties; the main form of recurring expenditure is salary costs associated with the Trinity Holistic Centre and Charity administration. Commitments for other expenditure are only given to the level of resources available within the funds received and held.

Cash on hand balances of £1,033 million are held at the end of 2021/22.

5. Objectives – Moving Forwards

In light of Covid-19 pandemic, next year the charity will be embarking on an ambitious and exciting 12 month strategy, and marks a significant step as we evolve.

We are the fundraising arm of South Tees Hospitals NHS Foundation Trust and support patients and staff across Middlesbrough, Redcar & Cleveland and Hambleton & Richmondshire.

We help improve the health and wellbeing of over one million people across the region. Whether it's state of the art equipment, pioneering research, increasing staff training or improving staff health and wellbeing, we're committed to raising the level of NHS service.

We exist to improve the NHS for those closest to you. Everything we do revolves around raising money to enhance services, and ultimately enrich our region's health and wellbeing. Our fundraising impacts your nearest and dearest — covering both patients and staff; your family, friends, neighbours and colleagues. Those who truly matter most.

At our heart, we're NHS champions who are passionate about making a difference. This is a meaningful mission that resonates, inspires and empowers charitable activity across our area. It's a cause that's far-reaching, long-lasting and one we can all continuously strive towards.

Ultimately the Charity's ambition is to increase the impact it makes for patients each and every year. This can only be achieved by ensuring that the Charity builds genuine partnerships with NHS staff who clearly understand the needs of patients, evolve to meet the changing funding landscape by embarking on a digital transformation, obtains feedback on the projects it funds to ensure that it is making a difference; increases the profile of the charity, reduce the charitable funds to a manageable size and introduce budgets for funds and improve the financial reporting of charitable funds, ensuring funds are accessible, and most importantly targeted towards activities which will deliver the greatest benefit for patients.

6. Statement of Directors' responsibilities in respect of the Corporate Trustee's annual report and the financial statements

In accordance with the trust deed and charity law, the Corporate Trustee is responsible for preparing the Charity's Annual Report and the financial statements in accordance with applicable law and regulations. The Corporate Trustee has elected to prepare the financial statements in accordance with FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

The financial statements are required by law to give a true and fair view of the state of affairs of the charity and of the excess of expenditure over income for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- state whether the financial statements comply with the trust deed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Members of the Corporate Trustee are required to act in accordance with the trust deed of the charity, within the framework of trust law. They are 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 Corporate Trustee to ensure that, where any statements of accounts are prepared by them under section 132(1) of the Charities Act 2011, those statements of accounts comply with the requirements of regulations under that provision. The Members of the Corporate Trustee have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.

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

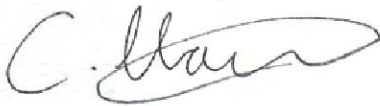
On behalf of the Corporate Trustee,

Signed:



.....
Chairman

...25/01/2023...
Date



.....
Director of Finance

...25/01/2023...
Date

7. Audit report

Independent auditor's report to the trustees of South Tees Hospitals NHS Charity

Opinion

We have audited the financial statements of South Tees Hospitals NHS Charity (the 'charity') for the year ended 31 March 2022 which comprise Statement of Financial Activities, Balance Sheet, Statement of Cash flow and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2021 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

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

Responsibilities of Trustee

As explained more fully in the trustee responsibilities statement set out on page 23, the trustee is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

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

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

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

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

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

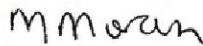
There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion,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

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

Use of the audit report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Signed:



Michael T Moran BA FCA (Senior Statutory Auditor)

For and on behalf of Robson Laidler Accountants Limited

Statutory Auditor

Fernwood House

Fernwood Road

Jesmond

Newcastle Upon Tyne

NE2 1TJ

Date: 27/01/2023

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

8. South Tees Hospitals Charity Statement of Financial Activities for the year ending 31 March 2022

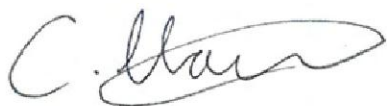
	Notes to financial statements	Unrestricted Funds £'000	Restricted Funds £'000	Total Funds 2021/22 £'000	Total Funds 2020/21 £'000
Income and endowments from:					
Donations and legacies	4	682	344	1,026	1,683
Charitable activities - supply of goods or services	5	35	-	35	6
Other trading activities - charity events, lottery	6	10	44	54	41
Investments	8	177	-	177	183
Total Income		904	388	1,292	1,913
Expenditure on:					
Raising funds	9	245	30	275	172
Charitable activities	10	1,030	1,079	2,109	1,447
Total Expenditure		1,275	1,109	2,384	1,619
Net gains/(losses) on investments	15	473	-	473	932
Net Income/(Expenditure)		102	(721)	(619)	1,226
Transfers between funds	20	(486)	486	-	-
Net movement in funds		(384)	(235)	(619)	1,226
Reconciliation of Funds					
Total funds brought forward	21	6,571	524	7,095	5,869
Total funds carried forward	21	6,187	289	6,476	7,095

9. South Tees Hospitals Charity Balance Sheet as at 31 March 2022

	Notes to financial statements	Unrestricted Funds £'000	Restricted Funds £'000	Total Funds 31 March 2022 £'000	Total Funds 31 March 2021 £'000
Fixed Assets;					
Investments	15	6,512	-	6,512	6,039
Total Fixed Assets		6,512	-	6,512	6,039
Current Assets;					
Debtors and accrued income	16	153	-	153	338
Cash and cash equivalents	17	744	289	1,033	1,297
Total Current Assets		897	289	1,186	1,635
Liabilities;					
Creditors falling due within 1 year	18	(1,222)	-	(1,222)	(579)
Net Current Assets		(325)	289	(36)	1,056
Total Net Assets		6,187	289	6,476	7,095
The funds of the charity;	21				
Restricted income funds		-	289	289	524
Unrestricted income funds		6,187	-	6,187	6,571
Total Charity Funds		6,187	289	6,476	7,095

The notes at pages 23 to 39 form part of these accounts and were approved by the Corporate Trustee on 25/01/2023.

Signed on its behalf by:



Signed

Name Chris Hand

Date 25/01/2023.....

**10. South Tees Hospitals Charity Statement of Cash Flows
for the year ending 31 March 2022**

	Note	Total Funds 2021/22 £'000	Total Funds 2020/21 £'000
Cash flows from operating activities:			
Net cash (used in)/provided by operating activities	19	(441)	(662)
Cash flows from investing activities:			
Dividends, interest and rents from investments	8	177	183
Petty cash	17		1
Net cash provided by investing activities		177	184
Change in cash and cash equivalents in the reporting period		(264)	(478)
Cash and cash equivalents at the beginning of the reporting period	17	1,297	1,775
Cash and cash equivalents at the end of the reporting period	17	1,033	1,297

11. South Tees Hospitals Charity Notes to the accounts

Note 1	Accounting policies
Note 2	Prior year comparatives by type of fund
Note 3	Related party transactions
Note 4	Income from donations and legacies
Note 5	Analysis of income from charitable activities
Note 6	Analysis of income from other trading activities
Note 7	Role of volunteers
Note 8	Gross investment income
Note 9	Analysis of expenditure on raising funds
Note 10	Analysis of charitable expenditure
Note 11	Allocation of support costs and overheads
Note 12	Directors of the Corporate Trustee remuneration, benefits and expenses
Note 13	Staff costs and key management personnel
Note 14	Auditor's remuneration
Note 15	Fixed asset investments
Note 16	Analysis of current debtors
Note 17	Analysis of cash and cash equivalents
Note 18	Analysis of liabilities
Note 19	Reconciliation of net income to net cash flow from operating activities
Note 20	Transfer between funds
Note 21	Analysis of charitable funds
Note 22	Funds over £100,000 for disclosure

1. Accounting Policies

(a) Basis of preparation

The financial statements have been prepared under the historic cost convention, with the exception of investments which are included at fair value.

The financial statements have been prepared in accordance with the statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) issued on 16 July 2014 and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2019.

The Trustee considers that there are no material uncertainties about South Tees Hospitals Charity's ability to continue as a going concern. There are no material uncertainties affecting the current year's accounts.

In future years, the key risks to the Charity would be a fall in donations or a fall in the stock market and resulting losses and reduced investment income. The trustees have a risk management strategy and reserves policy in place to mitigate against such risks.

(b) Funds structure

South Tees Hospitals Charity has both restricted and unrestricted funds but has no endowment funds. The Charity has specific funds for each service area of its hospitals; each fund has its own objectives/purpose and is classified as un-restricted designated funds. If a general donation is made and no specific area is identified then the monies will be paid into the General Purpose Fund which is used to benefit patients and staff of the trust at the Trustees' discretion. Appeals for a specific purpose are classified as restricted.

The major funds held are disclosed in note 22.

(c) Income

All income is recognised once the Charity has entitlement, or is probable that the resources will be received and the monetary value can be measured with sufficient reliability.

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

(d) Income from legacies

Legacies are accounted for as income either upon receipt or where the receipt of the legacy is probable. Receipt is probable when;

- confirmation has been received from the representatives of the estate(s) that probate has been granted
- the executors have established that there are sufficient assets in the estate to pay the legacy
- all conditions attached to the legacy have been fulfilled or are within the charity's control.

If there is uncertainty as to the amount of the legacy and it cannot be reliably estimated then the legacy is shown as a contingent asset until all of the criteria for income recognition are met.

(e) Expenditure and irrecoverable VAT

All expenditure has been accounted for on an accruals basis and has been classified under headings that aggregate all costs related to each category of expense shown in the Statement of Financial Activities. Expenditure is recognised when the following criteria are met:

- There is a present legal or constructive obligation resulting from a past event
- It is more likely than not that a transfer of benefits (usually a cash payment) will be required in settlement
- The amount of the obligation can be measured or estimated reliably.

Irrecoverable VAT is charged against the category of expenditure for which it was incurred.

The Charity reimburses the Trust for expenditure they have incurred on the Charity's behalf; this is as a result of the grants awarded by the Charity. Reimbursement is made when the liabilities have been settled and payment made. Any goods received prior to 31 March but not yet settled are accounted for as accruals in year.

(f) Recognition of expenditure and associated liabilities as a result of a grant

Grants payable are payments made to linked, related party or third party NHS bodies and non NHS bodies, in furtherance of the charitable objectives of the funds held on trust, primarily relief of those who are sick.

Grant payments are recognised as expenditure when the conditions for their payment have been met or where there is a constructive obligation to make a payment. A constructive obligation arises when:

- We have communicated our intention to award a grant to a recipient who then has a reasonable expectation that they will receive the grant
- We have made a public announcement about a commitment which is specific enough for the recipient to have a reasonable expectation that they will receive a grant
- There is an established pattern of practice which indicates to the recipient that we will honour the commitment.

The Trustee has control over the amount and timing of grant payments and consequently where approval has been given by them and any of the above criteria

have been met then a liability is recognised. When grants are awarded with conditions attached then those conditions have to be met, or expected to be met, before the liability is recognised.

Where an intention has not been communicated, then no expenditure is recognised but an appropriate designation is made in the appropriate fund. If a grant has been offered but there is uncertainty as to whether it will be accepted or whether conditions will be met then no liability is recognised but a contingent liability is disclosed.

(g) Allocation of support costs

Support costs are those which do not relate directly to a single activity. These include some staff costs, costs of administration, internal and external audit costs and IT support. Support costs have been apportioned between fundraising costs and charitable activities on an appropriate basis. The analysis of support costs and the bases of apportionment applied are shown in note 11.

(h) Fundraising costs

The costs of generating funds are those costs attributable to generating income for the Charity, other than those costs incurred in undertaking charitable activities or the costs incurred in undertaking trading activities in furtherance of a charity's objects. The costs of generating funds represent fundraising costs together with investment management fees. Fundraising costs include expenses for fundraising activities.

(i) Charitable activities

Costs of charitable activities comprise all the costs incurred in the pursuit of the charitable objectives of the Charity. These costs, where not wholly attributable, are apportioned between the categories of charitable expenditure in addition to the direct costs. The total costs of each category of charitable expenditure include an apportionment of support costs as shown in note 10.

(j) Fixed asset investments

Investments are a form of basic financial instrument. Fixed asset investments are initially recognised at their transaction value and are subsequently measured at their fair value (market value) as at the balance sheet date.

(k) Debtors

Debtors are amounts owed to the Charity. They are measured on the basis of their recoverable amount.

(l) Cash and cash equivalents

Cash at bank and in hand is held to meet the day to day running costs of the charity as they fall due. Cash equivalents are short term, highly liquid investments, usually in less than 90 day notice interest bearing savings accounts.

(m) Creditors

Creditors are amounts owed by the Charity. They are measured at the amounts that the Charity must pay to settle the debt.

Those amounts which are owed in more than one year are shown as long term creditors.

(n) Realised gains and losses

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

2. Prior year comparatives by type of fund

The primary statements provide prior year comparatives in total; this note provides prior year comparatives for the Statement of Financial Activities and Balance Sheet for each type of fund that South Tees Hospitals Charity manages.

2a Unrestricted funds - Statement of Financial Activity for the year ended 31 March 2022

	2021/22 £'000	2020/21 £'000
Income and endowments from:		
Donations and legacies	682	1,195
Charitable activities - supply of goods or services	35	6
Other trading activities - charity events, lottery	10	(4)
Investments	177	183
Total Income	904	1,380
Expenditure on:		
Raising funds	245	156
Charitable activities	1,030	1,235
Total Expenditure	1,275	1,391
Net gains/(losses) on investments	473	932
Net Income	102	921
Transfers between funds	(486)	52
Net movement in funds	(384)	973
Reconciliation of Funds		
Total funds brought forward	6,571	5,598
Total funds carried forward	6,187	6,571

Unrestricted funds - Balance Sheet as at 31 March 2022

	2021/22 £'000	2020/21 £'000
Fixed Assets;		
Investments	6,512	5,539
Total Fixed Assets	6,512	5,539
Current Assets;		
Debtors and accrued income	153	338
Cash and cash equivalents	744	1,273
Total Current Assets	897	1,611
Liabilities;		
Creditors falling due within 1 year	(1,222)	(579)
Net Current Assets	(325)	1,032
Total Net Assets	6,187	6,571
The funds of the charity;		
Unrestricted income funds	6,187	6,571
Total Charity Funds	6,187	6,571

2b Restricted funds - Statement of Financial Activity for the year ended 31 March 2022

	2021/22 £'000	2020/21 £'000
Income and endowments from:		
Donations and legacies	344	488
Other trading activities - charity events, lottery	44	45
Total Income	388	533
Expenditure on:		
Raising funds	30	16
Charitable activities	1,079	212
Total Expenditure	1,109	228
Net gains/(losses) on investments	-	-
Net Income	(721)	305
Transfers between funds	486	(52)
Net movement in funds	(235)	253
Reconciliation of Funds		
Total funds brought forward	524	271
Total funds carried forward	289	524

Restricted funds - Balance Sheet as at 31 March 2022

	2021/22 £'000	2020/21 £'000
Fixed Assets;		
Investments	-	500
Total Fixed Assets	-	500
Current Assets;		
Debtors and accrued income	-	-
Cash and cash equivalents	289	24
Total Current Assets	289	24
Liabilities;		
Creditors falling due within 1 year	-	-
Net Current Assets	289	24
Total Net Assets	289	524
The funds of the charity;		
Restricted income funds	289	524
Total Charity Funds	289	524

3. Related party transactions

South Tees Hospitals NHS Foundation Trust patients are the main beneficiary of the Charity and the trust is a related party by virtue of being Corporate Trustee of the Charity. The charity has provided funding to the Trust for approved expenditure made on behalf of the charity. During the current financial year this expenditure amounted to £2.384 million (£1.619 million 2020/21) with £1.094 million owed by the charity to the Trust at 31 March 2022 (£0.386 million 2020/21).

During the year, no members of the Charitable Funds Committee, the key management staff or parties related to them has undertaken any material transaction within the South Tees Hospitals Charity and Associated Funds.

The South Tees Hospitals NHS Foundation Trust makes a number of services available to the Charity; these include the use of the general ledger system, procurement system, payroll reimbursement system and office accommodation.

Board members and directors

Declarations of interests, completed on an annual basis by Executive and Non-Executive Directors, have been reviewed to identify any related party relationships requiring disclosure within this note.

There were no charity related party transactions connected with Directors of the Corporate Trustee and their associated interests.

4. Income from donations and legacies

Note 4: Income from donations and legacies

	Unrestricted Funds £'000	Restricted Funds £'000	Total Funds 2021/22 £'000	Total Funds 2020/21 £'000
Donations from individuals	302	26	328	373
Fundraising income generated by donors	119	-	119	71
Gift Aid	32	-	32	22
Corporate Donations	40	-	40	30
Legacies	65	-	65	345
Grants receivable	36	318	354	798
Gifts in Kind	88	-	88	44
Total	682	344	1,026	1,683

Donations from individuals are gifts from members of the public, relatives of patients and staff. Grateful patients and family members express their gratitude for the care received; supporters often undertake fundraising activities and collect sponsorship.

5. Analysis of income from charitable activities

Note 5: Income from charitable activities

	Unrestricted Funds £'000	Restricted Funds £'000	Total Funds 2021/22 £'000	Total Funds 2020/21 £'000
Income from training courses	-	-	-	1
Payment for holistic treatments provided	29	-	29	5
Other trading income	6	-	6	-
Total	35	-	35	6

Trading income was primarily from the therapy treatments to patients of South Tees Hospitals provided by the Trinity Holistic Centre.

6. Analysis of income from other trading activities

	Unrestricted Funds £'000	Restricted Funds £'000	Total Funds 2021/22 £'000	Total Funds 2020/21 £'000
Staff lottery deductions	-	44	44	45
Miscellaneous income	10	-	10	(4)
Total	10	44	54	41

7. Role of volunteers

The Charity is reliant on a team of volunteers. In accordance with the SORP, due to the absence of any reliable measurement basis, the contribution of these volunteers is not recognised in the accounts.

8. Gross investment income

	2021/22 Held in UK Total £'000	2020/21 Held in UK Total £'000
Investments listed on a Stock Exchange	177	183
Total	177	183

9. Analysis of expenditure on raising funds

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2021/22 £'000	Total 2020/21 £'000
Fundraising events	85	7	92	8
Investment management	-	-	-	(11)
Lottery winnings paid	-	23	23	16
Support costs	160	-	160	159
Total	245	30	275	172

10. Analysis of charitable expenditure

The Charity did not undertake any direct charitable activities on its own account during the year.

Expenditure is incurred in favour of South Tees Hospitals NHS Foundation Trust to carry out activities which will benefit NHS patients, their families and staff. The Charity incurred expenditure with third parties in pursuance of those grants or reimbursed expenditure incurred by them or their staff.

The Charity reimburses the Trust once the expenditure is recognised, this is when liabilities have been settled and payment made with obligations committing the Charity to expenditure by fund-holders to whom power to expend Charity funds has been delegated, any goods or services received prior to 31 March 2022 but not yet settled are accounted for as accruals in year.

	Unrestricted Funds		Restricted Funds		Total Funds 2020/21 £'000
	Grant funded activity £'000	Support costs £'000	Grant funded activity £'000	Total Funds 2021/22 £'000	
Analysis Category					
Patient welfare	70	10	19	99	220
Staff salaries, education and welfare	434	58	215	707	514
Capital	118	16	845	979	536
Goods and equipment	190	25	-	215	117
Course running costs	1	0	-	1	10
Volunteer support costs	7	1	-	8	2
Gift in Kind	88	12	-	100	48
Grand Total	908	122	1,079	2,109	1,447

11. Allocation of support costs and overheads

	Raising funds £'000	Charitable activities £'000	Total 2021/22 £'000	Total 2020/21 £'000
External audit	11	-	11	11
Governance	11	-	11	11
Salaries and related costs	138	122	260	225
Bank Charges	6	-	6	4
Rent & Rates	-	-	-	10
Insurance	-	-	-	-
System charges	3	-	3	3
Miscellaneous	2	-	2	-
Total	160	122	282	253

12. Directors of the Corporate Trustee remuneration, benefits and expenses

The members of the governing committee give their time freely but are able to claim expenses to reimburse them for costs that they incur in fulfilling their duties.

Committee members have not received remuneration, benefits or expenses during 2021/22 or 2020/21 in relation to their support of the charity.

13. Staff costs and Key management personnel

The Charity does not directly employ any members of staff. The services used by the Charity are provided by South Tees Hospitals Trust. The cost of providing these services are recharged to the Charity by the Trust.

The charity considers its key management personnel to be the Directors of the Corporate Trustee and the Director of Charities.

14. Auditor's remuneration

The auditor's remuneration for the 2021/22 financial year was £9,900 (£10,800 2020/21) related solely to the audit with no additional work being undertaken.

15. Fixed asset investments

	Total Funds 31 March 2022 £'000	Total Funds 31 March 2021 £'000
Movement in fixed asset investments		
Market value brought forward	6,039	5,107
Net Gain/(Loss) on revaluation	473	932
Market Value as at 31st March 2022	6,512	6,039

16. Analysis of current debtors

	Total Funds 31 March 2022 £'000	Total Funds 31 March 2021 £'000
Debtors under 1 year		
Other debtors - unrestricted	18	11
Prepayments and accrued income - unrestricted	135	327
Total Debtors	153	338

Other debtors represent sums owed to the Charity by other non-related parties.

17. Analysis of cash and cash equivalents

	Total Funds 31 March 2022 £'000	Total Funds 31 March 2021 £'000
Cash in hand - unrestricted	585	1,114
Cash in hand - restricted	289	24
Notice Deposits (90 days)	159	159
Total	1,033	1,297

The notice deposit is held as an interest-bearing deposit with Barclays and represents the unrestricted designated funds held to facilitate cash flow and the fulfilment of obligations in the furtherance of the charity's objectives. The funds are in a 90 day notice account and are therefore classified as cash and cash equivalents.

No cash or cash equivalents or current asset investments were held in non-cash investments or outside of the UK.

18. Analysis of liabilities

	Total Funds 31 March 2022 £'000	Total Funds 31 March 2021 £'000
Creditors under 1 year		
Other Creditors - unrestricted	219	476
Accruals - unrestricted	1,003	103
Total	1,222	579

19. Reconciliation of net income to net cash flow from operating activities

	2022 £'000	2021 £'000
Net income for the reporting period (as per the statement of financial activities)	(619)	1,226
Adjustments for:		
Net (Gain) / Loss on investments	(473)	(932)
Dividends, interest and rents from investments	(177)	(183)
Decrease/ (increase) in debtors	192	(106)
Increase/(decrease) in creditors	636	(667)
Net cash (used in)/provided by operating activities	(441)	(662)

20. Transfers between funds

There were two transfers from restricted to unrestricted funds during the financial year.

	Unrestricted Funds £'000	Restricted Funds £'000
Transfers	(486)	486
Total	(486)	486

21. Analysis of charitable funds

	Fund balance at 1 April 2021 brought forward £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains / carry forward £'000	Fund Balance at 31 March 2022 £'000
Small Restricted Donations	-	19	(15)	-	-	4
To Benefit Mowbray Suite FHN	84	-	(2)	(41)	-	41
NHS Charities	361	-	(224)	-	-	137
Staff Lottery	79	44	(23)	-	-	100
Friends of the Friarage	-	318	(318)	-	-	-
Kidney Appeal	-	-	(527)	527	-	-
Hearts and Minds Cardio Appeal	-	7	-	-	-	7
Restricted Funds Total	524	388	(1,109)	486	-	289

b) Analysis of unrestricted and material designated fund movements

	Fund balance at 1 April 2021 brought forward £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains / carry forward £'000	Fund Balance at 31 March 2022 £'000
South Tees Hospital Charity and Associated Funds	6,571	904	(1,275)	(486)	473	6,187
Unrestricted Funds Total	6,571	904	(1,275)	(486)	473	6,187
Total Funds	7,095	1,292	(2,384)	-	473	6,476

£100,000 or above is set as an opening or closing balance threshold for the separate reporting of material designated funds.

Other designated funds relate to assisting patients of services provided by the South Tees Hospitals NHS Foundation Trust for which donors have indicated their non-binding wishes when making their generous gifts.

The general funds included donations where donors have not expressed any preference as to how the funds shall be spent and the unrestricted income accruing to the charity. These funds are applied for any charitable purpose to the benefit of the patients of South Tees Hospitals NHS Foundation Trust at the absolute discretion of the Corporate Trustee.

22. Funds over £100,000 for disclosure

Name	Objective	2022 £'000	2021 £'000
Discretionary expenditure fund	Capital fund to purchase items of equipment	747	752
	Any charitable purposes relating to the NHS, wholly or mainly for the services provided by South Tees NHS Foundation Trust	631	456
General Fund			
Staff Lottery Control Account	For the benefit of staff.	101	79
Breast Cancer Fund (Surgery)	Developments in breast care unit.	129	131
Oncology / Radiotherapy / Ward 14 (was Ward 14 Oncology)	For the benefit of patients and staff.	205	251
Rheumatology	For the benefit of staff and patients as well as for training and education of staff and patients.	176	184
	To generate donations to help with Diabetes, Endocrinology related education, support courses, conferences and purchase equipment for patient care.	107	113
Endocrinology			
Special Care Baby Unit	For the benefit of patients and staff.	206	174
Spinal Injuries	To benefit Spinal Injuries patients and staff.	323	344
	To support research and facilities for Haematology service.	185	223
Haematology			
South Tees Post Graduate Medical Centre	To fund post graduate medical education.	165	185
Cardiothoracic Research & Development Fund	To purchase and support research and development in the division of Cardiothoracic Medicine, both clinical and non clinical.	135	141
Cardiology	For the benefit of staff and patients.	136	142

SOUTH TEES HOSPITALS CHARITY AND ASSOCIATED FUNDS

England & Wales - Charity number 1056061

Accounts

Our HOSPITALS CHARITY

Supporting the NHS in
Middlesbrough, Redcar & Cleveland
and Hambleton & Richmondshire

SOUTH TEES HOSPITALS CHARITY AND ASSOCIATED FUNDS ANNUAL REPORT & ACCOUNTS

1 April 2020 - 31 March 2021

Principal office:

Charities Office
The Murray Building
South Tees Hospitals NHS Foundation Trust
James Cook University Hospital
Marton Road
Middlesbrough
TS4 3BW

Registered Charity No. 1056061

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1. Chairman's Statement

Despite the challenging year our staff have faced, responding so magnificently in the care they have provided during the coronavirus pandemic, we are delighted to report another successful year of fundraising for South Tees Hospitals Charity. This has enabled us to enhance the services we provide to our patients, carers, families and of course our dedicated teams of professionals.

A heart felt thank you to each and every dedicated and committed fundraiser who has contributed to the success of the many activities and events ran throughout 2020/21.

The greatest achievements of our charity team under Ben Murphy's excellent leadership include supporting our staff and most vulnerable patients during the pandemic. They delivered thousands of welfare packs to our staff and created spaces for them to relax and take time out during what has been an incredibly challenging year.

We are also incredibly proud of the fundraising achievements of our Kidney Unit appeal. We launched the appeal in November during a pandemic, unsure how it would affect fundraising. We were delighted that over £400,000 was raised within the first four months of launching the appeal, which is incredible and testament to the dedication and support of all our fundraisers and the charity team.

Thanks to the dedicated individuals, groups, local companies and staff who have supported us we have had another fantastic year in raising funds over the course of the year in a wide range of charitable and health-related activities. All this has been achieved despite social distancing restrictions which led to some fantastic and innovative fundraising ideas.

Their donations and fundraising activities have allowed us to continue with our on-going commitment to support enhanced specialist medical equipment, research and training opportunities and improvements to environments and patient comfort across our hospitals and healthcare services. On behalf of our service users, carers and staff we send our appreciation to everyone who has worked tirelessly to support us throughout the last financial year.

I would also like to thank Neil Mundy who was Joint chair for part of the year for his leadership and stewardship of the charity during what has been an incredibly challenging year.

As the Trust continues to serve ever increasing numbers of people, the Charity is positioning itself to deliver improved patient and carer experiences and outcomes, support staff health and wellbeing, commit to wider participation and community involvement and support research and innovation.

The Trust's Charity serves two principal functions. Firstly, to oversee the good management of the funds, ensuring donations are acknowledged and spent in a way that reflects the donor's wishes. Secondly, the promotion of the Charity both internally and externally to encourage and support people raising vital funds.

Finally, as Chair, may I once again thank all the fundraisers, volunteers and our Friends organisations who contribute so much to the Trust. Their contribution to our work is hugely important. Their energy and passion has contributed so much to their local hospitals and community health services in providing excellent, patient-centred care throughout the year and has the potential to have an impact on people's lives every single day.

Thank you so much.

Derek



Professor Derek Bell OBE – Joint Chairman

2. Aims and Objectives

Our Role

South Tees Hospitals Charity raises funds to enhance the services that South Tees Hospitals NHS Foundation Trust provides to more than one million people across the region.

The role of the Charity is not to fund patient care, but with the support of the communities we serve to improve it and help with those extras over and above what the NHS can provide.

Our Mission

To support and fund initiatives beyond the remit and the capacity of the NHS.

To achieve this we:

- Keep the hospitals of the Trust at the forefront of healthcare delivery by purchasing state of the art equipment and funding research.
- Enhance our teams' training to keep our staff at the leading edge of medical advances.
- Create the best possible environments for patients and staff.
- Grow the level of charitable giving to ensure that the work can continue by supporting staff and patients in their fundraising activities.

The hospitals that we support are:

- James Cook University Hospital
- The Friarage Hospital
- East Cleveland Primary Care Hospital
- Guisborough Primary Care Hospital
- Redcar Primary Care Hospital
- The Friary Community Hospital

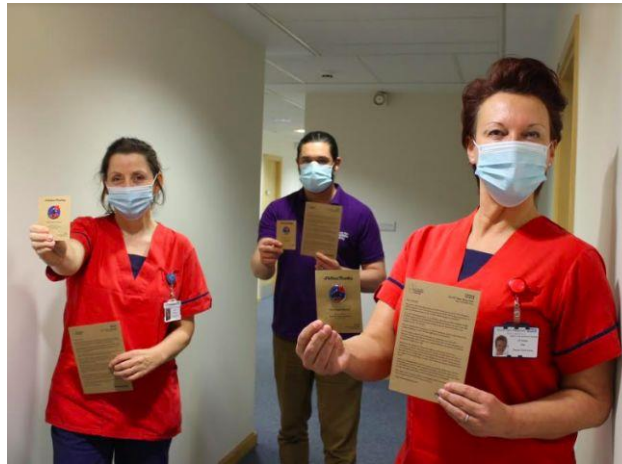
In 2020/21 we were able to make a difference to patients, by spending over £205,000 on their welfare and improving clinical environments.

Expenditure is made in accordance with charity law, our constitution and the wishes and direction of donors and with regard to the Charity Commission's guidance on public benefit. In 2020/21 the Charity made grants to a value of £1.619 million (£1.579 million in 2019/20).

During the financial year voluntary income from donations totalled £0.492 million (£0.675 million in 2019/20) and bequests totalled £0.345 million (£0.206 million in 2019/20). Grants received totalled £0.798 million (£0.115 million in 2019/20). Investment income of £0.183 million (£0.240 million in 2019/20) was received as well as income from charitable activities totalling £0.006 million (£0.062 million in 2019/20). Miscellaneous income of £0.041 million (£0.137 million in 2019/20) and Gifts in kind £0.044 million (£0.000 million in 2019/20).

3. Some Highlights from the last 12 months:

Mackenzie Thorpe designed the People's Medal to thank South Tees Staff.



In February we teamed up with local artist Mackenzie Thorpe to present a bespoke pin badge to every member of staff across our hospitals and healthcare services.

Mackenzie kindly gave his time free of charge to create the special piece of art – his way of saying thank you for everything local healthcare teams have done during this amazingly challenging time.

He said: “South Tees Hospitals really are the beating heart of our community, caring for us and our loved ones in times of need; never more so than during this last year. Like all of us I stand in the shadow of their greatness and will be forever in their debt, so I was honoured to be asked to be involved in the design of this pin and help, in a small way, to show my deepest gratitude to all.”



Ben Murphy, head of South Tees Hospitals Charity said: “We issued these People's Medal pin badges on behalf of everyone at the trust, our patients and the local community to offer a heartfelt thank you to each and every one of our staff for all their amazing efforts during the pandemic.”

Prime Minister, Boris Johnson, and local MP, Jacob Young, also showed their appreciation to South Tees Hospitals staff by wearing one of our pins.



The James Cook Hospital Kidney Unit Appeal



We launched the Kidney Unit Appeal in November and have managed to raise over £400,000 within four months, thanks to our local community and legacies.

The renal team, who carry out more than 3,000 appointments each year, are in need of an updated and improved unit to ensure patients can continue receiving outstanding kidney care in a first class facility.

The funds will go towards creating a new environment that offers increased clinical space and brings the renal specialist nursing team together in one place.

As well as outstanding care, patients will benefit from a modern, brighter and more welcoming space.

Supporting staff when it's needed most



Thanks to generous donations, we were able to create a number of 'wobble rooms' at The James Cook University Hospital in Middlesbrough and another three at the Friarage Hospital in Northallerton.

These are areas where staff can collect their thoughts and take time out as they continue to serve on the frontline during the pandemic. We asked for help to make them as comfortable as possible for our colleagues and our donors rose to the challenge, helping us to stock them with everything from tea and coffee to uplifting posters and colouring books.

The wobble rooms were used and appreciated by staff at all levels, so much so, we were replenishing stocks on a daily basis.

We also supported the wellbeing of our staff with psychological support, refreshments and welfare packs.

Fundraising superheroes

Our next stories involve youngsters from across our region.

Inspired by Captain Tom Moore, Noah 5, and Jacob 3, managed to walk a 33 metre long wall 100 times! This was a real challenge for Jacob in particular, who has hyper mobility and a neurological condition, meaning he finds running, jumping, balancing and walking for extensive periods more difficult than other children.

The pair raised an incredible £915 thanks to their commitment and the generosity of family and friends.



Owen Swift aged 21, who lives in Coulby Newham, has been under the care of the NHS since he was a baby and although he is now looked after by adult services he still holds the children's ward at The James Cook University Hospital and the staff close to his heart.

At 10 months old his immune system started to attack his spinal cord, he was admitted to Middlesbrough General Hospital with collapsed lungs, it was after this he was diagnosed with the condition Transverse myelitis.

Transverse myelitis is an attack of inflammation of the spinal cord. It is caused by the body's immune system becoming mis-programmed and activating immune cells to attack the healthy myelin covering the nerves in the spine which affects his mobility. His symptoms are so rare they affect 1 in a million.

Owen loves football and gaming so in the first lockdown he decided to ask people to sponsor him to wear one of his 100 plus football shirts where he would play in that teams colours, which helped him to raise £1,000 "there were a few teams I wasn't as keen to wear" said Owen "but I think of the staff like family and I really wanted to help them as a way to say thank you for everything they have done for me."

Owen Swift presenting money to Cathy Brammer



Freya 6, and Immy 4, both enjoy dressing up and wanted to have some fun while raising funds for those on the frontline. The sisters combined their love of costumes with their love of walking, completing five lots of five kilometres in five different costumes!

Freya said: "I want to raise money for the NHS to help them stop the virus. I am missing seeing all my friends and family, this will keep us busy. I hope you are all staying safe. Thank you NHS for helping us!"

With their parents by their side they completed a total distance of 25 kilometres, raising more than £1,100 for South Tees Hospitals Charity in the process.



Harry 8, and Edward 6, set their sights on riding 100 miles each to raise £100 for South Tees Hospitals Charity during the pandemic. With a love of cycling, the boys put the wheels in motion by using their daily hour of exercise to clock the miles up.

The sponsored bike ride was thought up by Harry, who wanted to sponsor our NHS at this difficult time. As well as donations going towards welfare packs, the family wanted to help provide other health and wellbeing initiatives to boost staff morale.

In total, a huge £1,700 has been raised by over 100 supporters!



Over the course of five days, 11-year-old Emmy set herself the challenge of rowing the same distance as the English Channel, as well as cycling the same distance on her bike!

Inspired by Captain Tom and with the help of a rowing machine, she managed to row the 22 miles, followed by the same distance on two wheels.

Emmy raised just under £1,200, with money going towards our local NHS hospitals and heroes in the South Tees region.



NHS Charities Together Funding

Thanks to Captain Tom funding via NHS Charities we were able to buy white goods for departments across the hospitals, as well as picnic benches and garden furniture. Although they might appear small and simple everyday things, they've helped improve the environment for both staff and patients alike.



Picnic benches and garden furniture have provided staff with a space outside away from their wards where they can meet, talk and relax. Fresh air, natural light and green spaces are proven to engage the senses and improve wellbeing; ultimately leading to increased productivity, reduced pressure and better mental health. Similarly, the fridges and freezers have improved kitchen facilities and allowed staff to bring in a wider range of food and drinks for throughout the day.



Supporting staff during the Pandemic

With help from local and national businesses, we delivered over 40 food parcels daily throughout the pandemic to The James Cook University Hospital, the Friarage Hospital and other community settings. The boxes contained food, snacks, treats and refreshments, all of which helped support NHS staff in our hospitals.

Alongside this, overnight packages and toiletries were delivered, including hand and face creams, lips balms, deodorants, toothbrushes and shampoo; all making a difference to frontline staff as they battled through longer working hours. While these might appear small

and simple things, they're the type of little extras that go a long way during an intense and stressful time.

Hot food was generously donated from local restaurants and takeaways, as well as from a Sikh temple and one lady who travelled from York every week for 12 weeks.

Altogether, 134 different groups of people supported our charity, which culminated in 20,000 bottles of water being donated in just two days!

We also received over 18,000 Easter eggs.

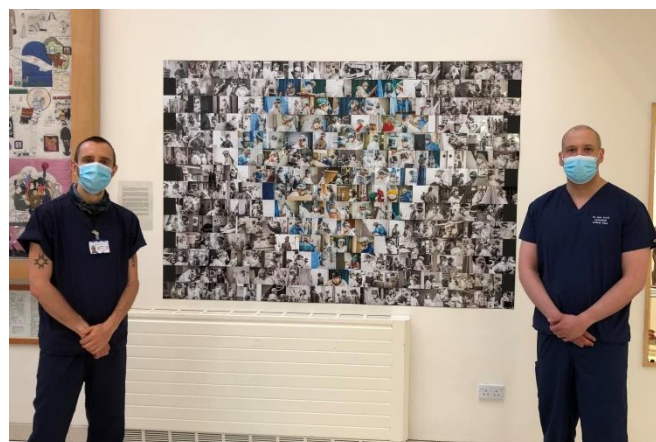
In addition, iPads were both donated and bought, helping admitted patients to stay in touch with loved ones whilst in care. Thanks to special fundraising from Tesco distribution centre and the public, we have been able to fund and kit out two wobble rooms to support staff wellbeing as they continue to tackle the pandemic.

Light boxes



Working in partnership with Macmillan and James Cook University Hospital Voluntary Services the charity had installed a series of light boxes in James Cook's service corridor which leads to the mortuary. Relatives were often escorted down the dull, busy service corridor to the mortuary viewing room to view their loved ones as there is no alternative route. It is hoped the new ceiling lights and light box pictures, depicting a walk to Roseberry Topping, will provide a more pleasant walkway and be a distraction for grieving relatives.

Capturing the pandemic on the frontline



During the pandemic the charity commissioned photographer and teaching fellow Matthew Jones to take a series of striking images showcasing some of the extraordinary work carried out by James Cook team during the coronavirus pandemic.

Taken inside the hospital's critical care department, the project documented the pressure, the challenges, the camaraderie and the kindness shown by this incredible team in the most difficult times. Matthew said: "When I was working in South Sudan as a doctor in 2018 I found that photography was a powerful way to help me understand the experience as it unfolded at such speed. It gave a means to pause and reflect and find answers, and continues to do so even now. "I wanted to offer that simple resource to staff in intensive care at James Cook, so they could process events and move forward with a sense of what they had achieved.

"The atmosphere in the intensive care unit was amazing. You sensed the strong bonds that existed between them all, a real spirit of care for each other's welfare. "I think the photos do a little justice to the stresses and pressure of the environment, but also the immense humanity on display as staff made such an effort to build bonds with the patients despite the obstacles they faced.

"To spend the time they did in the PPE and in such heightened stress and emotion was an incredible effort and to do it with humour, good spirit and such team spirit even more so."

A selection of the images are on display in the hospital's main atrium. The centre piece of the Care in a Crisis project is a stunning photo montage called The Wall of Hidden Love - because if you look closely there's a heart hidden in there.



Rainbow bracelets



Sophie McCrossan who was 12 years old, during the first coronavirus lockdown made over 1,000 rainbow bracelets to raise money for the charity, after being inundated with orders.

Her mum Lizanne bought her daughter some beads and cotton from eBay to keep her busy whilst she was at home, initially the idea was to give bracelets to some of her neighbours and close friends who are key workers.

However when mum posted a picture of Sophie on social media, she was left overwhelmed after receiving dozens of messages from people asking to buy them. It took Sophie, her mum and a team of six close friends to make them all, with the bracelets being sent as far as Spain, Belgium and France.

As a way of spreading a bit of happiness during an uncertain time, Sophie aimed to raise £50 when people started wanting to buy her bracelets, but she exceeded all expectations as she ended up raising a staggering £2,700 to help the front line staff at James Cook Hospital.

Inspired by Captain Tom

An 11-year-old girl who was inspired by Captain Sir Tom Moore raised more than £600 for the charity. Lucy Bettley, from Ingleby Barwick, was determined to follow Captain Sir Tom Moore's example and set herself the challenge of running and exercising in her garden for two and a half hours every night in five half hour shifts during May.

After successfully completing her challenge Lucy, who shares her birthday with Captain Tom Moore, exceeded her target of £50, thanks to her family and friends, and raised £650. Using some of the money, she prepared two hampers of "goodies" for frontline workers and presented a £300 cheque to the intensive care unit at James Cook and the University Hospital.



Youngster inspired by Captain Sir Tom Moore Lucy Bettley and Suzi Campbell from South Tees Hospitals Charity

Going blonde

With DIY haircuts an unexpected and unwanted side effect of lockdown, Jake McBride, chose the perfect moment to dye his hair blonde while raising funds for a special cause. After some light-hearted jokes from family and friends, Jake got his friends involved by asking them to put their money where their mouths were; nominating them to dye their hair and raise even more money!

Over 100 people took part in the challenge, with someone in Australia even getting in touch to say they've heard about the challenge!

Thanks to more than 500 donations, the group managed to raise an amazing £13,000.

Hitting the saddle

With one of their coaches working on the frontline in the fight against COVID-19, Richmond Triathlon Club wanted to do something extra special to raise funds for their local NHS trust. Adults, coaches, juniors and parents, all came together to complete a 48 hour turbo relay.

The challenge involved members young and old hitting the saddle of their turbo trainers; combining to cycle for two consecutive days including the dreaded night shifts. Donations came flooding in from friends, family and members, as well as other triathlon clubs from the North East and Yorkshire.

In total, a huge £4,195 thanks to over 200 supporters!

Richmond Triathlon Club



Delivering with a difference

In April, teams from Thirsk and Helmsley Royal Mail Delivery Offices were spreading cheer and positivity as they left their usual uniform at home and instead donned their best fancy dress for the day's deliveries!

The usual work attire of red fleeces and coats were replaced by bunny rabbits, bananas in pyjamas, batman and plenty more. The costumes brought a smile to people's faces, as well as helping to raise vital funds at an important time.

Despite an initial target of £300, the team managed to raise an amazing £1,400 from colleagues, friends, family and residents.

Virtual running to Afghanistan

A team consisting of 30 members from the Babaji regiment completed a virtual run to where the Company's name originates from in Afghanistan!

The '10 Days challenge to Babaji' covered a huge total distance of 6690km. The challenge was run in two phases between September 1st – September 4th, followed by September 14th – September 19th; the final day being the birthday of when the regiment was formed.

Over £2,000 has been raised by the team, with donations going towards the Friarage Hospital in Northallerton, where funds are needed to update staff spaces, in particular the kitchen facilities and outdoor areas to support staff's mental health and wellbeing.

Babaji regiment – 10 days challenge to Babaji



In 2020/21 Our Friends organisations supported the following initiatives:

Friends of the Friarage donated:

- £213,799.29 funding for a new renal unit
- £28,728.00 funding for a new eye service

4. Financial Review

Assets

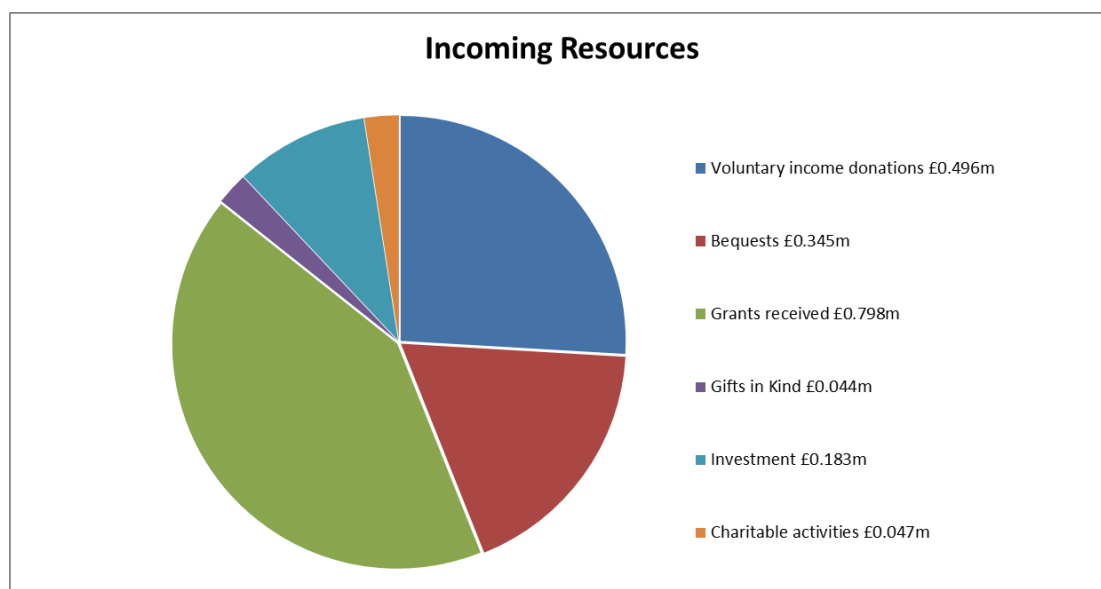
The net assets of South Tees Hospitals Charity as at 31 March 2021 were £7.095 million (£5.869 million 2019/20). There was a decrease in cash holdings to £1.297 million (£1.775 million 2019/20), an increase in debtors to £0.338million (£0.232million 2019/20) and a decrease in creditors to £0.579 million (£1.246 million 2019/20).

Income

The Charity relies on income received from donations, legacies and the voluntary fundraising efforts of the general public who supported specific appeals or made gifts to support the wards from which they or loved ones had received care. In 2020/21 income increased from £0.996 million to £1.683 million.

The total income received amounting to £1.913 million was represented by voluntary income donations which totalled £0.496 million (£0.675 million 2019/20), bequests totalled £0.345 million (£0.206 million 2019/20), grants received totalled £0.798 million (£0.115 million 2019/20) and gifts in kind totalled £0.044 (£0.000 Million 2019/20)

Investment income of £0.183 million (£0.240 million 2019/20) was received as well as income from charitable trading and activities of £0.047 million (£0.199 million 2019/20).

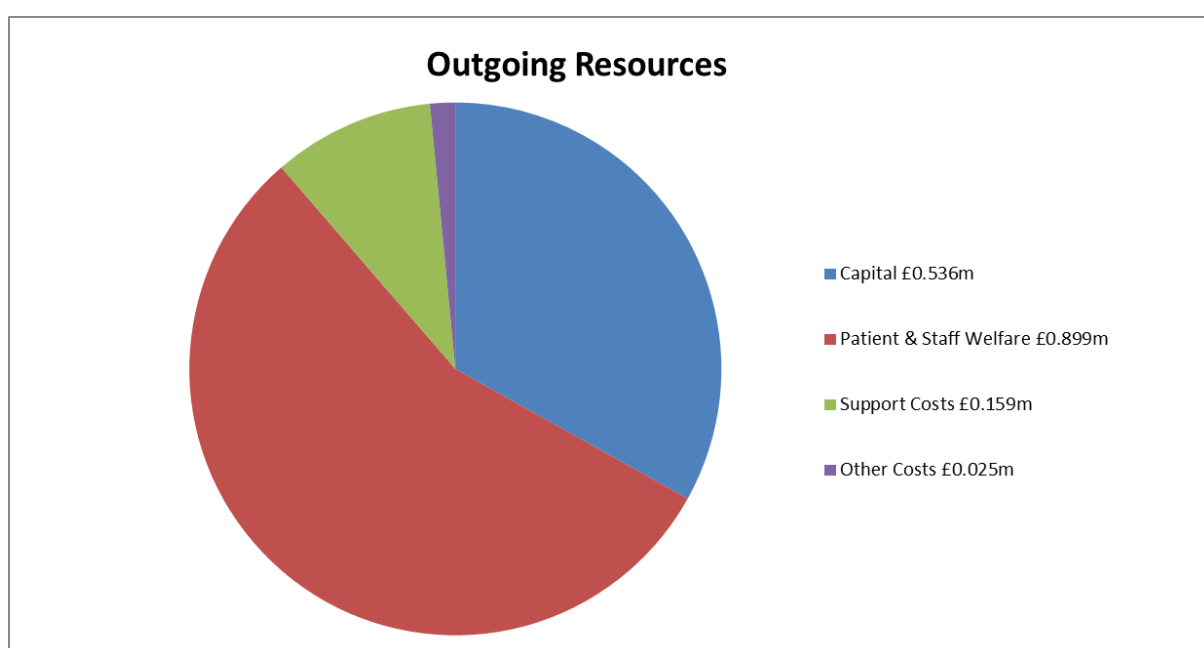


Expenditure

The Charity is a grant giving charity, rather than a service providing charity, in that it seeks to support the services provided by South Tees Hospitals NHS Foundation Trust. All equipment and services purchased by the Charity are donated to the Trust.

Expenditure from funds totalled £1.619 million, compared to expenditure of £1.579 million during the previous financial year.

Expenditure has been spent on capital £0.536 million (£0.367 million 2019/20), patient & staff welfare £0.899 million (£0.919 million), support costs £0.159 million (£0.144 million 2019/20) and other costs £0.025 million (£0.149 million 2019/20)



Investments

The Charity's investments are held with CCLA Investment Management and Barclays Wealth with an aim of maximising income and longer term growth.

The management of 93% of the investment portfolio was moved from Barclays Wealth to CCLA during 2019/20. Cash funds are held outside the portfolio to deal with the short term cash flow issues. As a consequence of the economic and market uncertainty caused by COVID-19 there was a fall in the valuation of the investment portfolio as at 31 March 2020 of approximately 16% in the capital value. As at 31st March 2021 the gain on investments in this financial year has more than covered the losses reported in the 2019/20.

	Total Funds 31 March 2021 £'000	Total Funds 31 March 2020 £'000
Market value brought forward	5,107	5,885
Additions	-	727
Disposals	-	(749)
Fair value (losses) / gains	932	(756)
Market value as at 31 March 2021	6,039	5,107
Investments held:		
Alternative assets	326	351
COIF Charities Ethical Investment Fund	5,713	4,756
	6,039	5,107

The performance of the investments is monitored by the Charitable Funds Committee which reports to the Board and reviews investment portfolio valuations provided at regular intervals by the advisers.

The investment policy is reviewed on an on-going basis.

5. Structure, Governance and Management

The South Tees Hospitals Charity was established by Trust Deed and is registered with the Charity Commission (charity number 1056061).

As a body it is a member of the Association of NHS Charities.

All trust funds are registered with the Charity Commission under the umbrella registration of South Tees Hospitals Charity.

The Charity's funds were established using the model declaration of trust and all funds held as at the date of registration were either a part of this unrestricted fund or registered as separate restricted funds under the main charity.

The Corporate Trustee fulfils its legal duty by ensuring that restricted funds are used in accordance with the objectives of each fund, and in designating funds the Trustee respects the wishes of the donor with due consideration made to the Charity Commission's published guidance on Public Benefit as specified under the Charities Act 2011.

At the end of March 2021 there were 262 funds (267 in 2019/20). Each has a designated fund manager with specialist knowledge of the area to which the fund relates. They are generally clinical directors, managers, clinical consultants, heads of departments, ward sisters and Operations Directors whom have the delegated power to commit expenditure up to £25,000. For all grants over £25,000 there is an approved Scheme of Delegation based on the Charity's governance framework.

Charitable receipts are recorded in accordance with donors' wishes to registered funds and expenditure is made in accordance with the objectives of each designated trust fund, within the limits set by the Trust's Standing Orders, Standing Financial Instructions and Scheme of Delegation.

The accounting records and day-to-day administration of the funds are dealt with by the charities finance office, which is within the Trust's Chief Executive's department.

It is the responsibility of the Corporate Trustee to ensure that the legal and accounting requirements of the Charities Act 2011 and directives from the Charity Commission are adhered to and that surplus funds are invested in a manner suitable for the maximisation of income and to safeguard the capital sums therein.

The Charitable Funds Committee supports and advises the Corporate Trustee of South Tees Hospitals Charity in discharging its responsibilities and remains accountable to the board of directors, acting as Corporate Trustee, in every respect. In 2020/21 the Committee met on four occasions to consider a range of strategic issues within its remit.

Our purpose is to enhance the services that South Tees Hospitals NHS Foundation Trust provides, supporting the provision of general healthcare and staff welfare, the improvement of specialist clinical and clinical support services and the advancement of clinical knowledge. The role of the Charity is not to fund patient care but to improve it.

Strong governance is critical to our success and reputation. The Corporate Trustee has overall responsibility for our work, to ensure we are governed in accordance with the legal and regulatory requirements and we meet our aims and objectives as a charity.

The Corporate Trustee of the Charity is tasked with:

- Furthering our overall purpose and setting our direction and strategy.
- Ensuring our work is effective, responsible and legal.
- Safeguarding our finances, resources and property and ensuring they are used to further our purpose.
- Being 'accountable' to those with an interest or stake in us or those who regulate us.
- Establishing clear boundaries with the staff and volunteers who carry out our work between the governance role of the Trustees and operational or day-to-day matters.
- Ensuring the Charity operates effectively.

By establishing good governance at South Tees Hospitals Charity, ensuring:

- Compliance with law and regulation.
- That our Charity is well run and efficient.
- That any problems are identified early and dealt with appropriately.
- That we make a difference and the objects of the Charity are advanced.

Appointments to the Board are in accordance with the Trust's Constitution, Terms of Authorisation and legal and regulatory requirements.

Members of the Corporate Trustee

The Corporate Trustee is South Tees Hospital NHS Foundation Trust

The Charitable Funds Committee is supported by a number of professional advisers:

Bankers

Barclays Bank Plc
Leicester
LE87 2BB

External Auditor

Mazars LLP
The Corner
Bank Chambers
26 Mosley Chambers
Newcastle upon Tyne
NE1 1DF

Investment Advisors

Barclays Wealth
Barclays House
5 St Ann's Street
Quayside
Newcastle upon Tyne
NE1 2BH

Investment Advisors

CCLA Investment Management
Senator House
85 Queen Victoria Street
London
EC4V 4ET

Additional expertise relating to training is drawn from being a member of the Association of NHS Charities that holds regular conferences and symposia for Directors of the Corporate Trustee.

Key management personnel remuneration

Members of the Corporate Trustee and Charitable Funds Committee are required to disclose relevant interests and register them with the Head of Charity, withdrawing from decisions where conflicts of interest may exist.

The daily management of the Charity is delegated to the Head of Charity who is employed under the terms and conditions set out in the Agenda for Change. Remuneration is reviewed annually and is increased in accordance with the nationally agreed increases in pay scale.

Constitution and powers

Administration

The Corporate Trustee, under its Scheme of Delegation, has appointed the Director of Finance to be the officer responsible for implementation of procedures, to ensure all legislation and directives are adhered to and that expenditure from trust funds is appropriate for the purpose.

The Director of Finance maintains such accounts and records, as necessary, to record and protect all funds held in trust. He has responsibility for ensuring that the activities of each fund are within the regulations of the Charities Act 2011 and comply with the procedures adopted by the Trust.

Risk Management

The members of the Charitable Funds Committee periodically review the Charity's risk register.

The major external risk, to which the charity could be exposed, is a sudden fall in the value of the investment portfolio. However the Directors invest over the long term to ensure that the greatest returns are achieved.

Policies and procedures to mitigate risks include:

- The Charity has systems in place to ensure that all donations and legacies are accurately recorded, and that all expenditure is correctly authorised in accordance with the objects of the Charity.
- The internal controls of the Trust have been adopted by the Charity.
- The Charity is audited by the Trust's internal auditors, PricewaterhouseCoopers LLP, who review and test systems, and the Trust's external auditors, Mazars LLP, who audit the Charity's Annual Accounts and Report.
- The risks around investment balances have been mitigated through the holding of a balanced portfolio.
- CCLA was appointed to manage the Charity's investments as from 13th February 2020. There are procedures in place to review the investment policy and monitor its performance.
- Short term cash holdings are held in bank accounts to enable immediate access to funds. The level of short term cash holdings has been reviewed as part of the Charitable Funds Treasury Management Policy.

Partnership working

The patients of South Tees Hospitals NHS Foundation Trust are the main beneficiaries of the Charity and the Trust is a related party by virtue of the Board of Directors acting as Corporate Trustee. By working in partnership with the Trust, the Corporate Trustee has regard to the main activities taking place within its hospitals to ensure that funds are spent in accordance with the objects of each fund to support the health and welfare of patients and staff.

The Trust is well supported by groups and associated charities, including the South Cleveland Heart Fund, Royal Voluntary Service, Friends of the Friarage and The James Cook University Hospital Voluntary Services Organisation who over many years have raised hundreds of thousands of pounds to support the Trust.

Reserves

At the end of 2020/21 the charity held reserves of £7.095 million. All monies held in funds were unrestricted apart from £0.524 million which are held on a restricted basis.

Reserves are built up to reinvest into the South Tees Hospitals NHS Foundation Trust and provide maximum benefit to the patients and staff. The classification of restricted and unrestricted reserves is reviewed on an annual basis.

There are no material recurring commitments for which it would be prudent to hold reserves against uncertainties; the main form of recurring expenditure is salary costs associated with the Trinity Holistic Centre and Charity administration. Commitments for other expenditure are only given to the level of resources available within the funds received and held.

Cash on hand balances of £1,297 million are held at the end of 2020/21.

6. Objectives – Moving Forwards

In light of Covid-19 pandemic, next year the charity will be embarking on an ambitious and exciting 12 month strategy, and marks a significant step as we evolve.

We are the fundraising arm of South Tees Hospitals NHS Foundation Trust and support patients and staff across Middlesbrough, Redcar & Cleveland and Hambleton & Richmondshire.

We help improve the health and wellbeing of over one million people across the region. Whether it's state of the art equipment, pioneering research, increasing staff training or improving staff health and wellbeing, we're committed to raising the level of NHS service.

We exist to improve the NHS for those closest to you. Everything we do revolves around raising money to enhance services, and ultimately enrich our region's health and wellbeing. Our fundraising impacts your nearest and dearest — covering both patients and staff; your family, friends, neighbours and colleagues. Those who truly matter most;

At our heart, we're NHS champions who are passionate about making a difference. This is a meaningful mission that resonates, inspires and empowers charitable activity across our area.

It's a cause that's far-reaching, long-lasting and one we can all continuously strive towards.

Ultimately the Charity's ambition is to increase the impact it makes for patients each and every year. This can only be achieved by ensuring that the Charity builds genuine partnerships with NHS staff who clearly understand the needs of patients, evolve to meet the changing funding landscape by embarking on a digital transformation, obtains feedback on the projects it funds to ensure that it is making a difference; increases the profile of the charity, reduce the charitable funds to a manageable size and introduce budgets for funds and improve the financial reporting of charitable funds, ensuring funds are accessible, and most importantly targeted towards activities which will deliver the greatest benefit for patients.

7. Statement of Directors' responsibilities in respect of the Corporate Trustee's annual report and the financial statements

In accordance with the trust deed and charity law, the Corporate Trustee is responsible for preparing the Charity's Annual Report and the financial statements in accordance with applicable law and regulations. The Corporate Trustee has elected to prepare the financial statements in accordance with FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

The financial statements are required by law to give a true and fair view of the state of affairs of the charity and of the excess of expenditure over income for that period.

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

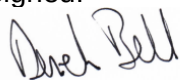
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- state whether the financial statements comply with the trust deed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Members of the Corporate Trustee are required to act in accordance with the trust deed of the charity, within the framework of trust law. They are 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 Corporate Trustee to ensure that, where any statements of accounts are prepared by them under section 132(1) of the Charities Act 2011, those statements of accounts comply with the requirements of regulations under that provision. The Members of the Corporate Trustee have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.

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

On behalf of the Corporate Trustee,

Signed:



.....
Chairman

27/01/2022
Date



.....
Chief Finance Officer

27/01/2022
Date

8. Audit report

Independent auditor's report to the trustees of South Tees Hospitals NHS Charity

Opinion

We have audited the financial statements of South Tees Hospitals NHS Charity (the 'charity') for the year ended 31 March 2021 which comprise Statement of Financial Activities, Balance Sheet, Statement of Cash flow and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2021 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

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

Responsibilities of Trustee

As explained more fully in the trustee responsibilities statement set out on page 29, the trustee is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

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

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

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

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

- Making enquiries of the trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and

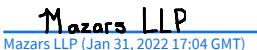
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

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

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

Use of the audit report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Signed: 
Mazars LLP (Jan 31, 2022 17:04 GMT)

For and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

The Corner

Bank Chambers

26 Mosley Street

Newcastle upon Tyne

NE1 1DF

Date: 31 January 2022

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

9. South Tees Hospitals Charity Statement of Financial Activities for the year ending 31 March 2021

	Notes to financial statements	Unrestricted Funds £'000	Restricted Funds £'000	Total Funds 2020/21 £'000	Total Funds 2019/20 £'000
Income and endowments from:					
Donations and legacies	4	1,195	488	1,683	996
Charitable activities - supply of goods or services	5	6	-	6	62
Other trading activities - charity events, lottery	6	(4)	45	41	137
Investments	8	183	0	183	240
Total Income		1,380	533	1,913	1,435
Expenditure on:					
Raising funds	9	156	16	172	263
Charitable activities	10	1,235	212	1,447	1,316
Total Expenditure		1,391	228	1,619	1,579
Net gains/(losses) on investments	15	932	-	932	(755)
Net Income/(Expenditure)		921	305	1,226	(899)
Transfers between funds	20	52	(52)	-	-
Net movement in funds		973	253	1,226	(899)
Reconciliation of Funds					
Total funds brought forward	21	5,598	271	5,869	6,768
Total funds carried forward	21	6,571	524	7,095	5,869

10. South Tees Hospitals Charity Balance Sheet as at 31 March 2021

	Notes to financial statements	Unrestricted Funds £'000	Restricted Funds £'000	Total Funds 31 March 2021 £'000	Total Funds 31 March 2020 £'000
Fixed Assets;					
Investments	15	5,539	500	6,039	5,108
Total Fixed Assets		5,539	500	6,039	5,108
Current Assets;					
Debtors and accrued income	16	338	-	338	232
Cash and cash equivalents	17	1,273	24	1,297	1,775
Total Current Assets		1,611	24	1,635	2,007
Liabilities;					
Creditors falling due within 1 year	18	(579)	-	(579)	(1,246)
Net Current Assets		1,032	24	1,056	761
Total Net Assets		6,571	524	7,095	5,869
The funds of the charity;					
Restricted income funds	21	-	524	524	271
Unrestricted income funds		6,571	-	6,571	5,598
Total Charity Funds		6,571	524	7,095	5,869

The notes at pages 22 to 40 form part of these accounts and were approved by the Corporate Trustee on 27/01/2022.

Signed on its behalf by:



Signed

Name Chris Hand

Date 27/01/2022

11. South Tees Hospitals Charity Statement of Cash Flows **for the year ending 31 March 2021**

	Note	Total Funds 2020/21 £'000	Total Funds 2019/20 £'000
Cash flows from operating activities:			
Net cash (used in)/provided by operating activities	19	(662)	405
Cash flows from investing activities:			
Dividends, interest and rents from investments	8	183	240
Cash divested from investments	15	-	112
Net Book Value of disposal at carrying value	15	-	637
Purchase of investments & fees	15	-	(727)
Petty cash	17	1	-
Net cash provided by investing activities		184	262
Change in cash and cash equivalents in the reporting period		(478)	667
Cash and cash equivalents at the beginning of the reporting period	17	1,775	1,108
Cash and cash equivalents at the end of the reporting period	17	1,297	1,775

12. South Tees Hospitals Charity Notes to the accounts

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1. Accounting Policies

(a) Basis of preparation

The financial statements have been prepared under the historic cost convention, with the exception of investments which are included at fair value.

The financial statements have been prepared in accordance with the statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) issued on 16 July 2014 and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2019.

The Trustee considers that there are no material uncertainties about South Tees Hospitals Charity's ability to continue as a going concern. There are no material uncertainties affecting the current year's accounts.

In future years, the key risks to the Charity would be a fall in donations or a fall in the stock market and resulting losses and reduced investment income. The trustees have a risk management strategy and reserves policy in place to mitigate against such risks.

(b) Funds structure

South Tees Hospitals Charity has both restricted and unrestricted funds but has no endowment funds. The Charity has specific funds for each service area of its hospitals; each fund has its own objectives/purpose and is classified as un-restricted designated funds. If a general donation is made and no specific area is identified then the monies will be paid into the General Purpose Fund which is used to benefit patients and staff of the trust at the Trustees' discretion. Appeals for a specific purpose are classified as restricted.

The major funds held are disclosed in note 22.

(c) Income

All income is recognised once the Charity has entitlement, or is probable that the resources will be received and the monetary value can be measured with sufficient reliability.

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

(d) Income from legacies

Legacies are accounted for as income either upon receipt or where the receipt of the legacy is probable. Receipt is probable when;

- confirmation has been received from the representatives of the estate(s) that probate has been granted
- the executors have established that there are sufficient assets in the estate to pay the legacy
- all conditions attached to the legacy have been fulfilled or are within the charity's control.

If there is uncertainty as to the amount of the legacy and it cannot be reliably estimated then the legacy is shown as a contingent asset until all of the criteria for income recognition are met.

(e) Expenditure and irrecoverable VAT

All expenditure has been accounted for on an accruals basis and has been classified under headings that aggregate all costs related to each category of expense shown in the Statement of Financial Activities. Expenditure is recognised when the following criteria are met:

- There is a present legal or constructive obligation resulting from a past event
- It is more likely than not that a transfer of benefits (usually a cash payment) will be required in settlement
- The amount of the obligation can be measured or estimated reliably.

Irrecoverable VAT is charged against the category of expenditure for which it was incurred.

The Charity reimburses the Trust for expenditure they have incurred on the Charity's behalf; this is as a result of the grants awarded by the Charity. Reimbursement is made when the liabilities have been settled and payment made. Any goods received prior to 31 March but not yet settled are accounted for as accruals in year.

(f) Recognition of expenditure and associated liabilities as a result of a grant

Grants payable are payments made to linked, related party or third party NHS bodies and non NHS bodies, in furtherance of the charitable objectives of the funds held on trust, primarily relief of those who are sick.

Grant payments are recognised as expenditure when the conditions for their payment have been met or where there is a constructive obligation to make a payment. A constructive obligation arises when:

- We have communicated our intention to award a grant to a recipient who then has a reasonable expectation that they will receive the grant
- We have made a public announcement about a commitment which is specific enough for the recipient to have a reasonable expectation that they will receive a grant
- There is an established pattern of practice which indicates to the recipient that we will honour the commitment.

The Trustee has control over the amount and timing of grant payments and consequently where approval has been given by them and any of the above criteria

have been met then a liability is recognised. When grants are awarded with conditions attached then those conditions have to be met, or expected to be met, before the liability is recognised.

Where an intention has not been communicated, then no expenditure is recognised but an appropriate designation is made in the appropriate fund. If a grant has been offered but there is uncertainty as to whether it will be accepted or whether conditions will be met then no liability is recognised but a contingent liability is disclosed.

(g) Allocation of support costs

Support costs are those which do not relate directly to a single activity. These include some staff costs, costs of administration, internal and external audit costs and IT support. Support costs have been apportioned between fundraising costs and charitable activities on an appropriate basis. The analysis of support costs and the bases of apportionment applied are shown in note 11.

(h) Fundraising costs

The costs of generating funds are those costs attributable to generating income for the Charity, other than those costs incurred in undertaking charitable activities or the costs incurred in undertaking trading activities in furtherance of a charity's objects. The costs of generating funds represent fundraising costs together with investment management fees. Fundraising costs include expenses for fundraising activities.

(i) Charitable activities

Costs of charitable activities comprise all the costs incurred in the pursuit of the charitable objectives of the Charity. These costs, where not wholly attributable, are apportioned between the categories of charitable expenditure in addition to the direct costs. The total costs of each category of charitable expenditure include an apportionment of support costs as shown in note 10.

(j) Fixed asset investments

Investments are a form of basic financial instrument. Fixed asset investments are initially recognised at their transaction value and are subsequently measured at their fair value (market value) as at the balance sheet date.

(k) Debtors

Debtors are amounts owed to the Charity. They are measured on the basis of their recoverable amount.

(l) Cash and cash equivalents

Cash at bank and in hand is held to meet the day to day running costs of the charity as they fall due. Cash equivalents are short term, highly liquid investments, usually in less than 90 day notice interest bearing savings accounts.

(m) Creditors

Creditors are amounts owed by the Charity. They are measured at the amounts that the Charity must pay to settle the debt.

Those amounts which are owed in more than one year are shown as long term creditors.

(n) Realised gains and losses

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

2. Prior year comparatives by type of fund

The primary statements provide prior year comparatives in total; this note provides prior year comparatives for the Statement of Financial Activities and Balance Sheet for each type of fund that South Tees Hospitals Charity manages.

2a Unrestricted funds - Statement of Financial Activity for the year ended 31 March 2021

	2020/21 £'000	2019/20 £'000
Income and endowments from:		
Donations and legacies	1,195	790
Charitable activities - supply of goods or services	6	62
Other trading activities - charity events, lottery	(4)	94
Investments	183	240
Total Income	1,380	1,186
Expenditure on:		
Raising funds	156	243
Charitable activities	1,235	1,316
Total Expenditure	1,391	1,559
Net gains/(losses) on investments	932	(755)
Net Income	921	(1,128)
Transfers between funds	52	-
Net movement in funds	973	(1,128)
Reconciliation of Funds		
Total funds brought forward	5,598	6,726
Total funds carried forward	6,571	5,598

Unrestricted funds - Balance Sheet as at 31 March 2021

	2020/21 £'000	2019/20 £'000
Fixed Assets;		
Investments	5,539	4,932
Total Fixed Assets	5,539	4,932
Current Assets;		
Debtors and accrued income	338	232
Cash and cash equivalents	1,273	1,680
Total Current Assets	1,611	1,912
Liabilities;		
Creditors falling due within 1 year	(579)	(1,246)
Net Current Assets	1,032	666
Total Net Assets	6,571	5,598
The funds of the charity;		
Unrestricted income funds	6,571	5,598
Total Charity Funds	6,571	5,598

2b Restricted funds - Statement of Financial Activity for the year ended 31 March 2021

	2020/21 £'000	2019/20 £'000
Income and endowments from:		
Donations and legacies	488	206
Other trading activities - charity events, lottery	45	43
Total Income	533	249
Expenditure on:		
Raising funds	16	20
Charitable activities	212	-
Total Expenditure	228	20
Net gains/(losses) on investments	-	-
Net Income	305	229
Transfers between funds	(52)	-
Net movement in funds	253	229
Reconciliation of Funds		
Total funds brought forward	271	42
Total funds carried forward	524	271

Restricted funds - Balance Sheet as at 31 March 2021

	2020/21 £'000	2019/20 £'000
Fixed Assets;		
Investments	500	176
Total Fixed Assets	500	-
Current Assets;		
Debtors and accrued income	-	-
Cash and cash equivalents	24	95
Total Current Assets	24	95
Liabilities;		
Creditors falling due within 1 year	-	-
Net Current Assets	24	95
Total Net Assets	524	95
The funds of the charity;		
Restricted income funds	524	271
Total Charity Funds	524	271

3. Related party transactions

South Tees Hospitals NHS Foundation Trust patients are the main beneficiary of the Charity and the trust is a related party by virtue of being Corporate Trustee of the Charity. The charity has provided funding to the Trust for approved expenditure made on behalf of the charity. During the current financial year this expenditure amounted to £1.619 million (£1.579 million 2019/20) with £0.386 million owed by the charity to the Trust at 31 March 2021 (£1.140 million 2019/20).

During the year, no members of the Charitable Funds Committee, the key management staff or parties related to them has undertaken any material transaction within the South Tees Hospitals Charity and Associated Funds.

The South Tees Hospitals NHS Foundation Trust makes a number of services available to the Charity; these include the use of the general ledger system, procurement system, payroll reimbursement system and office accommodation.

Board members and directors

Declarations of interests, completed on an annual basis by Executive and Non-Executive Directors, have been reviewed to identify any related party relationships requiring disclosure within this note.

There were no charity related party transactions connected with Directors of the Corporate Trustee and their associated interests.

4. Income from donations and legacies

Note 4: Income from donations and legacies

	Unrestricted Funds £'000	Restricted Funds £'000	Total Funds 2020/21 £'000	Total Funds 2019/20 £'000
Donations from individuals	373	-	373	385
Fundraising income generated by donors	71	-	71	226
Gift Aid	22	-	22	-
Corporate Donations	30	-	30	64
Legacies	266	79	345	206
Grants receivable	389	409	798	115
Gifts in Kind	44	-	44	-
Total	1,195	488	1,683	996

Donations from individuals are gifts from members of the public, relatives of patients and staff. Grateful patients and family members express their gratitude for the care received; supporters often undertake fundraising activities and collect sponsorship.

5. Analysis of income from charitable activities

Note 5: Income from charitable activities

	Unrestricted Funds £'000	Restricted Funds £'000	Total Funds 2020/21 £'000	Total Funds 2019/20 £'000
Income from training courses	1	-	1	11
Income from hire of space	-	-	-	10
Payment for holistic treatments provided	5	-	5	2
Other trading income	-	-	-	39
Total	6	-	6	62

Trading income was primarily from the therapy treatments to patients of South Tees Hospitals provided by the Trinity Holistic Centre.

6. Analysis of income from other trading activities

Note 6: Income from other trading activities

	Unrestricted Funds £'000	Restricted Funds £'000	Total Funds 2020/21 £'000	Total Funds 2019/20 £'000
MRI Scanner Appeal	-	-	-	2
Staff lottery deductions	-	45	45	41
Miscellaneous income	(4)	-	(4)	94
Total	-4	45	41	137

7. Role of volunteers

The Charity is reliant on a team of volunteers. In accordance with the SORP, due to the absence of any reliable measurement basis, the contribution of these volunteers is not recognised in the accounts.

8. Gross investment income

	2020/21 Held in UK Total £'000	2019/20 Held in UK Total £'000
Investments listed on a Stock Exchange	183	240
Total	183	240

9. Analysis of expenditure on raising funds

Note 9: Analysis of expenditure on raising funds

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2020/21 £'000	Total 2019/20 £'000
Fundraising events	8	-	8	65
Investment management	(11)	-	(11)	34
Lottery winnings paid	-	16	16	20
Support costs	159	-	159	144
Total	156	16	172	263

10. Analysis of charitable expenditure

The Charity did not undertake any direct charitable activities on its own account during the year.

Expenditure is incurred in favour of South Tees Hospitals NHS Foundation Trust to carry out activities which will benefit NHS patients, their families and staff. The Charity incurred expenditure with third parties in pursuance of those grants or reimbursed expenditure incurred by them or their staff.

The Charity reimburses the Trust once the expenditure is recognised, this is when liabilities have been settled and payment made with obligations committing the Charity to expenditure by fund-holders to whom power to expend Charity funds has been delegated, any goods or services received prior to 31 March 2021 but not yet settled are accounted for as accruals in year.

	Unrestricted Funds		Restricted Funds		
	Grant funded activity £'000	Support costs £'000	Grant funded activity £'000	Total Funds 2020/21 £'000	Total Funds 2019/20 £'000
Analysis Category					
Patient welfare	172	14	34	220	207
Staff salaries, education and welfare	311	26	178	515	557
Capital	495	41	-	536	367
Goods and equipment	108	9	-	117	155
Course running costs	9	1	-	10	26
Volunteer support costs	2	-	-	2	4
Gift in Kind	44	4	-	48	-
Grand Total	1,141	94	212	1,447	1,316

11. Allocation of support costs and overheads

	Raising funds £'000	Charitable activities £'000	Total 2020/21 £'000	Total 2019/20 £'000
External audit	11	-	11	9
Governance	11	-	11	9
Financial administration				
Salaries and related costs	131	94	225	245
Bank Charges	4	-	4	4
Rent & Rates	10	-	10	1
System charges	3	-	3	-
Miscellaneous	-	-	-	4
Total	159	94	253	263

12. Directors of the Corporate Trustee remuneration, benefits and expenses

The members of the governing committee give their time freely but are able to claim expenses to reimburse them for costs that they incur in fulfilling their duties.

Committee members have not received remuneration, benefits or expenses during 2020/21 or 2019/20 in relation to their support of the charity.

13. Analysis of staff costs, remuneration of key management personnel

Staff costs

	2020/21 £'000	2019/20 £'000
Salaries and wages	185	201
Social security costs	18	21
Employers' pension contribution	22	23
Total	225	245

The members of staff within the charity are employed by South Tees Hospitals NHS Foundation Trust. Salaries are recharged to the charity.

The average number of employees working for the charity was 6 Whole Time Equivalents (WTE) (6 WTE in 2019/20). 2 employees provided support services to charitable activities and the governance of the charity (2 WTE in 2019/20). 4 employees engaged in general fundraising (4 in 2019/20) with the Director of Charities, overseeing both elements.

The charity considers its key management personnel to be the Directors of the Corporate Trustee and the Director of Charities.

Key management personnel remuneration:

	2020/21 £'000	2019/20 £'000
Salary	19	81
Social security costs	2	10
Employers' pension contribution	3	10
Total	24	101

The charity employed one employee whose total employee benefits (excluding pension costs) exceeded £60,000.

	2020/21 Employee Costs Number	2020/21 Employee Costs £000's	2019/20 Employee Costs Number	2019/20 Employee Costs £000's
£60,000 to £70,000	1	24	0	0
£70,001 to £80,000	0	0	0	0
£80,001 to £90,000	0	0	1	93
	1	24	1	93

14. Auditor's remuneration

The auditor's remuneration for the 2020/21 financial year was £10,800 (£9,000 2019/20) related solely to the audit with no additional work being undertaken.

15. Fixed asset investments

	Total Funds 31 March 2021 £'000	Total Funds 31 March 2020 £'000
Movement in fixed asset investments		
Market value brought forward	5,107	5,885
Add: additions to investments at cost	-	727
Less: disposals on carrying value	-	(637)
Movement in cash	-	(112)
Net Gain/(Loss) on revaluation	932	(890)
Gain on disposal	-	134
Market Value as at 31st March	6,039	5,107

The management of 93% of the investment portfolio was moved from Barclays Wealth to CCLA during 2019/20. Cash funds are held outside the portfolio to deal with short term cash flow issues. As a consequence of the economic and market uncertainty caused by COVID-19 there was a fall in the valuation of the investment portfolio as at 31 March 2020 of approximately 16% in the capital value. The investments have made a full recovery in 2020/21 from the losses incurred in the previous financial year.

	Total Funds 31 March 2021 £'000	Total Funds 31 March 2020 £'000
Market value brought forward	5,107	5,885
Additions	-	727
Disposals	-	(749)
Fair value gains/(losses)	932	(756)
Market value as at 31 March 2021	6,039	5,107

16. Analysis of current debtors

	Total Funds 31 March 2021 £'000	Total Funds 31 March 2020 £'000
Debtors under 1 year		
Other debtors - unrestricted	11	83
Prepayments and accrued income - unrestricted	327	149
Total Debtors	338	232

Other debtors represent sums owed to the Charity by other non-related parties.

17. Analysis of cash and cash equivalents

	Total Funds 31 March 2021 £'000	Total Funds 31 March 2020 £'000
Cash in hand - unrestricted	1,114	1,521
Cash in hand - restricted	24	95
Notice Deposits (90 days)	159	159
Total	1,297	1,775

The notice deposit is held as an interest bearing deposit with Barclays and represents the unrestricted designated funds held to facilitate cash flow and the fulfilment of obligations in the furtherance of the charities objectives. The funds are in a 90 day notice account and are therefore classified as cash and cash equivalents.

The unrestricted cash in hand represents the balance in the charity's current account as at 31 March 2021 and the restricted cash in hand represents the cash held for the lottery account £0.024m (£0.024 million 2019/20).

No cash or cash equivalents or current asset investments were held in non-cash investments or outside of the UK.

18. Analysis of liabilities

	Total Funds 31 March 2021 £'000	Total Funds 31 March 2020 £'000
Creditors under 1 year		
Other Creditors - unrestricted	476	856
Accruals - unrestricted	103	390
Total	579	1,246

19. Reconciliation of net income to net cash flow from operating activities

	2021 £'000	2020 £'000
Net income for the reporting period (as per the statement of financial activities)	1,226	(899)
Adjustments for:		
Net (Gain) / Loss on investments	(932)	755
Dividends, interest and rents from investments	(183)	(240)
Decrease/ (increase) in debtors	(106)	(78)
Increase/(decrease) in creditors	(667)	867
Net cash (used in)/provided by operating activities	(662)	405

20. Transfers between funds

There were four transfers from restricted to unrestricted funds during the financial year.

	Unrestricted Funds £'000	Restricted Funds £'000
Transfers	52	(52)
Total	52	(52)

Two MRI transfers to the Kidney appeal and one Mowbray Suite transfer to the Trinity Holistic Centre.

21. Analysis of charitable funds

a) Analysis of restricted fund movements

	Fund balance at 1 April 2020 brought forward £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains / carry forward £'000	Fund Balance at 31 March 2021 £'000
MRI Scanner Appeal	33	79	-	(112)	-	0
Trinity Holistic Centre JCUH Legacy	101	-	(101)	-	-	0
To Benefit Mowbray Suite FHN	87	-	-	(3)	-	84
NHS Charities	-	409	(111)	63	-	361
Staff Lottery	50	45	(16)	-	-	79
Restricted Funds Total	271	533	(228)	(52)	-	524

b) Analysis of unrestricted and material designated fund movements

	Fund balance at 1 April 2020 brought forward £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains / carry forward £'000	Fund Balance at 31 March 2021 £'000
South Tees Hospital Charity and Associated Funds	5,598	1,380	(1,391)	52	932	6,571
Unrestricted Funds Total	5,598	1,380	(1,391)	52	932	6,571
Total Funds	5,869	1,913	(1,619)	-	932	7,095

£100,000 or above is set as an opening or closing balance as the threshold for the separate reporting of material designated funds.

Other designated funds relate to assisting patients of services provided by the South Tees Hospitals NHS Foundation Trust for which donors have indicated their non-binding wishes when making their generous gifts.

The general funds included donations where donors have not expressed any preference as to how the funds shall be spent and the unrestricted income accruing to the charity. These funds are applied for any charitable purpose to the benefit of the patients of South Tees Hospitals NHS Foundation Trust at the absolute discretion of the Corporate Trustee.

22. Funds over £100,000 for disclosure

Name	Objective	2021 £'000	2020 £'000
Breast Cancer Fund (Surgery)	Developments in breast care unit.	131	112
Cardiothoracic Research & Development Fund	To purchase and support research and development in the division of Cardiothoracic Medicine, both clinical and non clinical.	141	121
Discretionary expenditure fund	Capital fund to purchase items of equipment	752	216
General Fund	Any charitable purposes relating to the NHS, wholly or mainly for the services provided by South Tees NHS Foundation Trust.	456	173
Haematology	To support research and facilities for Haematology service.	223	224
Oncology / Radiotherapy / Ward 14 (was Ward 14 Oncology)	For the benefit of patients and staff.	251	253
Rheumatology	For the benefit of staff and patients as well as for training and education of staff and patients.	184	155
South Tees Post Graduate Medical Centre	To fund post graduate medical education.	185	173
Special Care Baby Unit	For the benefit of patients and staff.	174	207
Spinal Injuries	To benefit Spinal Injuries patients and staff.	344	198
Kidney Unit Appeal Jcuh	To fund the new kidney unit	527	179
Endocrinology	To generate donations to help with Diabetes, Endocrinology related education, support courses, conferences and purchase equipment for patient care.	113	163
Cardiothoracic Trust Fund	For the benefit of staff and patients within the cardiothoracic division.	110	124
Northallerton General Purpose	For the benefit of staff and patients.	123	41
Cardiology	For the benefit of staff and patients..	142	155